



Town of Bakersville



MITCHELL COUNTY
ECONOMIC DEVELOPMENT COMMISSION

Mitchell Works:

An Economic Development Strategic Plan
for Mitchell County, NC
April 2016



Town of Spruce Pine

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1. Acknowledgements

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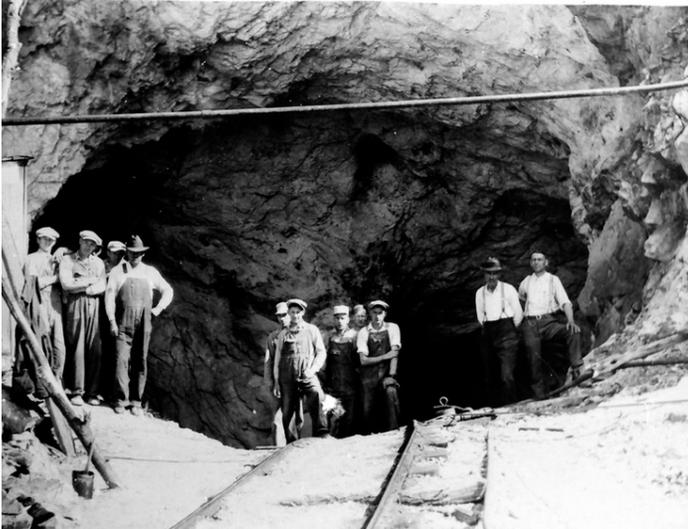
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Photos provided by the Mitchell County Chamber of Commerce, Mitchell County Government, the Mitchell County Economic Development Commission, the Town of Bakersville, and the Town of Spruce Pine.

2. Background



In 2013, the North Carolina Economic Development Board began work on a 10-year strategic plan for economic development growth and activities designed to refocus the state's efforts to create more jobs for North Carolina citizens. The Board sought input for the plan through a listening tour around the state and surveys. The North Carolina Jobs Plan, adopted in January of 2014, contains the Economic Development Board's recommended strategies for economic growth for 2014 through 2024, organized under the following goals:

- Identify key growth industries and develop a brand strategy to maximize statewide growth for high quality, sustainable jobs
- Create a competitive business climate that drives job growth, retention and attraction in every sector of the economy statewide
- Promote innovation, attract early-stage investment and support entrepreneurs
- Attract the creative class and retiree population to North Carolina
- Develop and retain a globally competitive workforce with the knowledge and skills for high quality, sustainable North Carolina jobs
- Spread prosperity, jobs and investment to the rural areas of the state
- Develop programs that provide local communities with the opportunity to thrive
- Streamline economic, workforce and community development functions and measure the effectiveness of state development activities

As the state of North Carolina began its economic development strategic planning process, Mitchell County leaders anticipated that opportunities for resources and/or assistance for rural areas might emerge. To be prepared for such opportunities, they decided Mitchell County should have its own economic development strategic plan in place.

Project Development

In the fall of 2013, at the request of the Interim Director of the Mitchell County Economic Development Commission (EDC), staff from the North Carolina Department of Commerce (NC Commerce), Rural Economic Development Division (REDD), met several times with representatives of Mitchell County, the Towns of Spruce Pine and Bakersville, the Mitchell County Chamber of Commerce, the High Country Council of Governments (HCCOG), and others to discuss the development of an economic development strategic plan for Mitchell County. REDD and HCCOG staff members prepared a proposed scope of services, budget, and timeline for the project. The EDC, serving as the primary client for the project, agreed in early 2014 to work with REDD and HCCOG staff (the Technical Team) to:

- Create a vision for economic development in Mitchell County
- Compile local and regional truth-checked data
- Develop comparison areas to benchmark current and future performance
- Investigate a variety of economic development topics, including, but not limited to: an overview of the local economy and economic resources, an assessment of regional opportunities, education and workforce development, business climate, transportation systems, other infrastructure systems and services, agriculture, arts and culture, downtowns, and tourism
- Align Mitchell County's economic development plans with North Carolina's economic development goals and priorities
- Satisfy North Carolina Department of Transportation (NCDOT) planning requirements before the NCDOT prepares a Comprehensive Transportation Plan (CTP) for Mitchell County. In late 2013, the HCCOG anticipated that the CTP process would begin in two to three years
- Develop a plan to implement the vision with

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goals, policies, programs, and projects that will most directly affect Mitchell County's economic vitality and for which the EDC has a direct interest and/or jurisdiction to take action

A Planning Committee of local leaders, state and local government staff, and business owners was formed to assist the Technical Team in development of *Mitchell Works: An Economic Development Strategic Plan for Mitchell County, NC (Mitchell Works Plan)*.

Economic Development Forum for Western North Carolina

As the Mitchell County EDC was developing the idea of having a local economic development strategic plan, it was preparing to host a regional economic development event, which further demonstrated its desire to be ready to act on future economic development opportunities.

On November 1, 2013, the Mitchell County EDC hosted an Economic Development Forum for Western North Carolina at Mayland Community College. Approximately 145 people attended. Speakers included: former North Carolina Governor Jim Hunt; United States Congressman Mark Meadows; the NC Commerce Secretary; the NC Commerce Assistant Secretary for Rural Economic Development; staff of other state agencies engaged in economic development including the Department of Agriculture and Consumer Services, the Department of Transportation, and the former NC Commerce Division of Tourism, Film, and Sports Development; as well as executives from Duke Energy and Wells Fargo. A number of the speakers highlighted the need to recruit and retain well-paying jobs in rural areas and talked about their work to help address that need.

A highlight of the Forum was a discussion about the local business environment by a panel of local business leaders and the Superintendent of Mitchell County Schools. The panelists identified a number of issues and challenges related to establishing and operating a business in the region, including: the ever-changing regulatory environment and related paperwork (federal, state, and local levels) regarding health, safety, the environment, hiring foreign workers, taxes, health insurance, etc.; decreasing school system enrollment and state budget cuts for education; decreasing Medicare and Medicaid reimbursements to healthcare

providers; a limited local labor pool of people with the necessary technical skills; segments of the local workforce that lack basic business skills, do not have a strong work ethic, struggle with substance abuse, and/or cannot afford to live in the area; competition with/dependence on government assistance programs; and the significant capital investment needed to complete basic building improvements, among others. Throughout the process of developing the *Mitchell Works Plan*, the Planning Committee identified and discussed many of the same issues and challenges. Industry leaders reiterated similar themes during interviews the Technical Team conducted for the project.



Setting

Mitchell County is located in northwestern North Carolina. It is approximately 50 miles from the Metropolitan Statistical Areas (MSAs) of Johnson City, TN; Asheville, NC; and Hickory, NC. It is approximately 100 miles from the MSAs of Charlotte, NC; Greenville, SC; and Winston-Salem, NC.

Map 1 provides a base map of Mitchell County.

Mitchell County is mountainous, with a highly dissected landscape. The terrain greatly influences location of development. The Toe River and its tributaries, and accessible groundwater, provide adequate water supply for residential and industrial uses. The County is primarily forested, and the climate and soils support agricultural activity.

The relative isolation and low population of the County results in a large amount of commuters both into and out of the County for jobs. Recent widening of US Highway 19E to a four-lane divided facility will provide Mitchell County with easier access to I-26, I-40, and I-81. CSX Corporation provides freight rail service to the County, with direct connections to the Great Lakes and ports on the Gulf and Atlantic coasts.

2. Background

Public water and sewer service is limited to the two municipalities in the County: the Town of Spruce Pine and the Town of Bakersville. Recent American Recovery and Reinvestment Act (ARRA) funding to Country Cablevision was used to install last-mile Fiber to the Home (FTTH) internet service to 97% of homes and businesses in Mitchell County. Piedmont Natural Gas provides service to the major commercial/industrial areas of the County.

Mitchell County experienced significant job losses following decline of the textile and furniture industries. The County's economy currently is supported by niche manufacturing businesses, tourism activity driven by the Blue Ridge Parkway and the area's natural beauty, agricultural activity including cattle and Christmas tree production, and a long-standing mining industry based on extraction of quartz, feldspar, and mica.

Land use in Mitchell County is typical of rural western NC. Commercial development is concentrated around the two towns, while the remainder of the County is a mix of agriculture and scattered residential use. The County also has significant land areas owned by mining industries and the federal government.

Map 2 shows current land use.

Socioeconomic Data

Population

Size of Population

The North Carolina Office of State Budget and Management (NC OSBM) prepares annual estimates of municipal and county populations for the purpose of distributing state-shared revenues. The 2013 certified estimated population figures for Mitchell County are shown below. The NC OSBM has released provisional 2014 estimates for counties that show Mitchell County's population as having grown to 15,830 (NC OSBM, April 2015).

2013 Certified Estimated Population

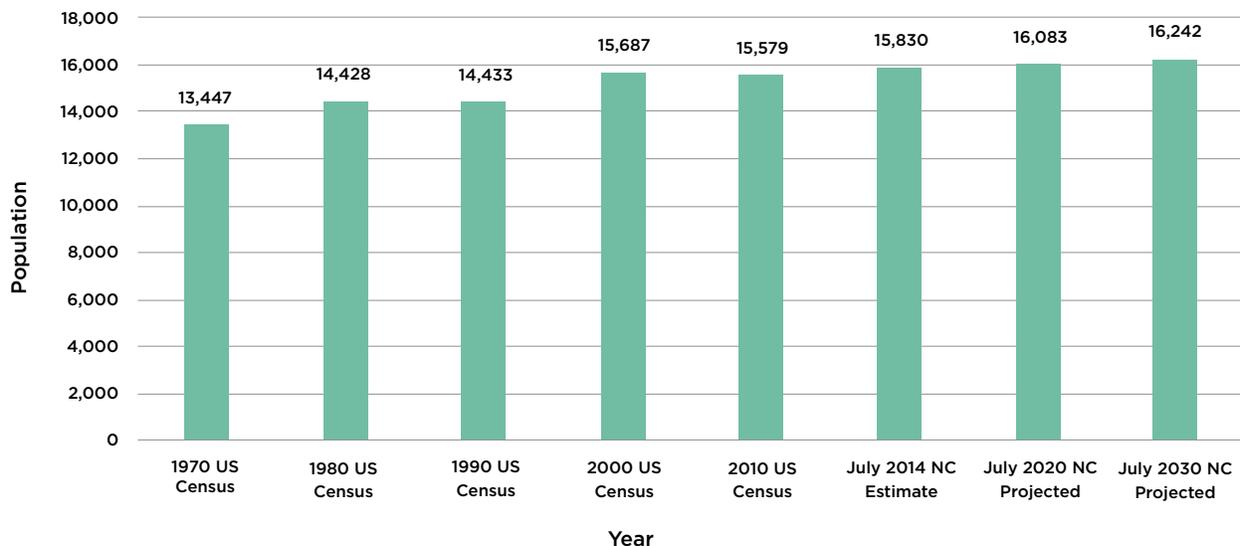
Jurisdiction	Population
Mitchell County	15,407
Town of Bakersville	465
Town of Spruce Pine	2,209

Source: NC Office of State Budget and Management, September 2014

Between 1970 and 2000, Mitchell County's population grew by 7.3 percent (1970-1980), held steady (1980-1990), and then grew again by 8.7 percent (1990-2000). The County's population declined between 2000 and 2010; however the NC OSBM is projecting that it will begin to grow again over the next two decades. The figures below show the population trends for Mitchell County.

Mitchell County, NC Population Trends 1970 (actual) to 2030 (projected)

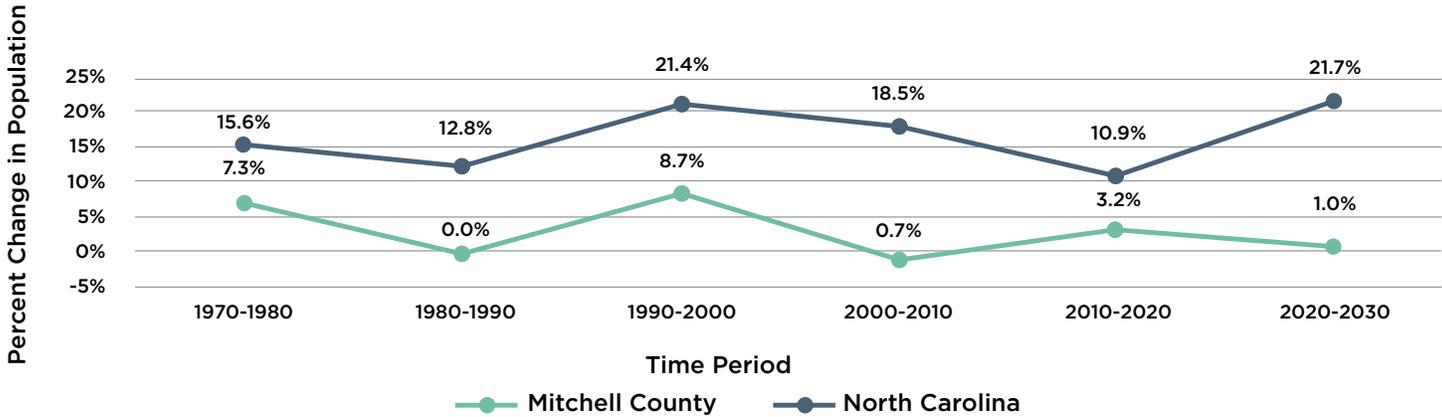
Source: NC Office of State Budget and Management, April 2015



2. Background

Percent Change in Population by Decade, Mitchell County and North Carolina 1970 (actual) to 2030 (projected)

Source: NC Office of State Budget and Management



NC OSBM analysis of the components of Mitchell County's population between 2000 and 2010, show a significant decrease in both the number of births and deaths compared to prior decades. Natural growth (births minus deaths) was -49. Net migration (the number of people moving in to an area compared to the number moving out) during that period also showed a loss (-105), which contributed to the overall decline in population (NC OSBM, 2015).

The NC OSBM has projected a substantial increase in both the number of births and deaths in Mitchell County between 2010 and 2030. However, the number of deaths will well-exceed births between 2010 and 2020 with natural growth at -661. That trend is projected to continue at an increasing rate between 2020 and 2030, with a natural growth of -783 (NC OSBM, April 2015).

Population projections for Mitchell County show that growth in net migration will make up for some of the population loss due to a negative natural growth rate. Between 2010 and 2020, net migration is projected to be 338, and between 2020 and 2030, it is projected to be 716 (NC OSBM, April 2015).

Age of Population

United States Census Bureau (US Census) numbers from 1970 to 2010 indicate that Mitchell County's population has aged. The figures below show the number of people aged 65 and older in 2010 was almost twice the number in that age group in 1970. The declining birth rate in Mitchell County is reflected in the 0 to 4 age group population numbers.

Mitchell County Population 1970 - 2010 by Selected Age Groups

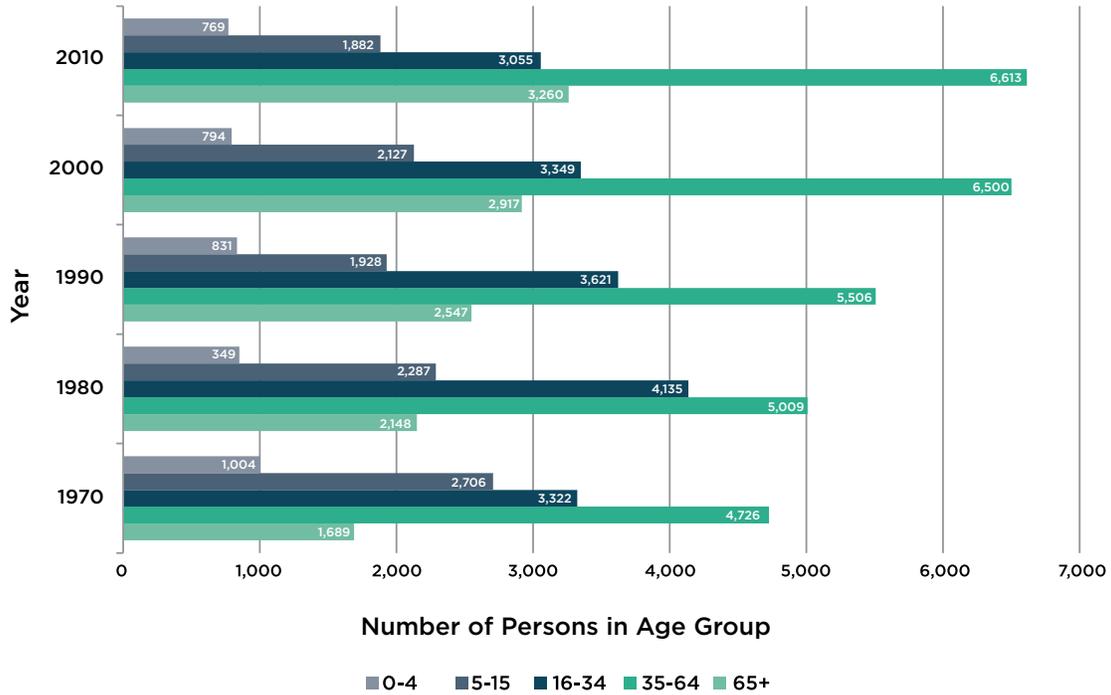
Year	Age of Population				
	0 to 4	5-15	16-34	35-64	65+
1970	1,004	2,706	3,322	4,726	1,689
1980	849	2,287	4,135	5,009	2,148
1990	831	1,928	3,621	5,506	2,547
2000	794	2,127	3,349	6,500	2,917
2010	769	1,882	3,055	6,613	3,260

Source: U.S. Census Bureau

2. Background

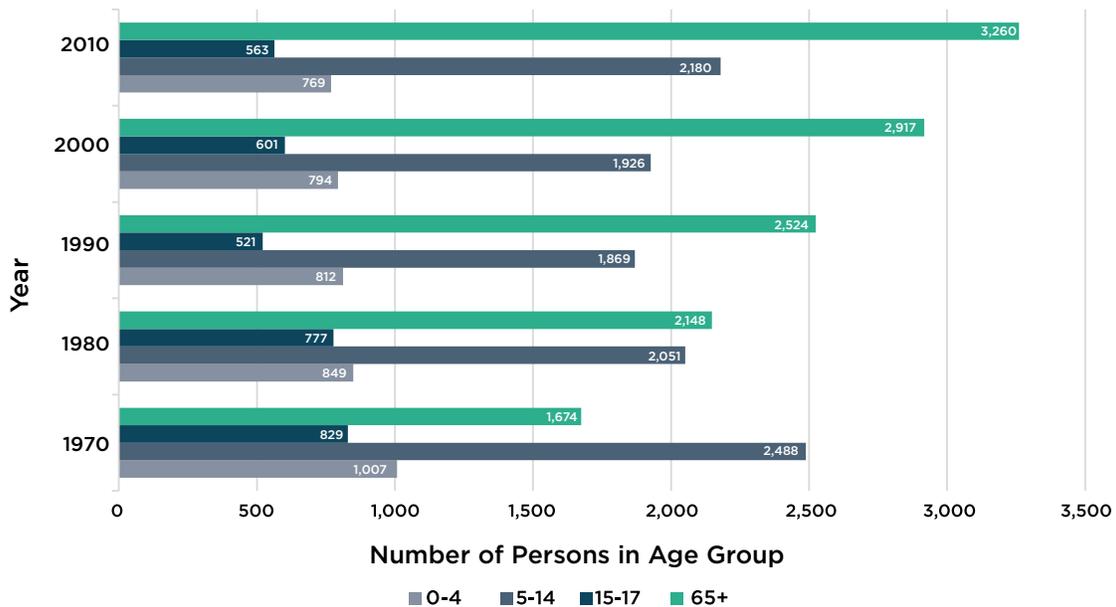
Mitchell County Population 1970-2010, Selected Age Groups

Source: U.S. Census Bureau



Mitchell County Population 1970-2010, Selected Age Groups, 2

Source: U.S. Census Bureau



The size of Mitchell County's school-aged population (5 to 17 year-olds) declined between 1970 and 1990, showed some growth between 1990 and 2000, and

declined again by 2010, according to US Census data. The decline is also reflected in the enrollment statistics for the Mitchell County Schools system.

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Mitchell County Schools Enrollment

Year	All Enrolled Students	Enrolled High School Students	High School Students as % of All Students
1980	2,819	891	31.6%
1990	2,388	641	26.8%
2000	2,439	724	29.7%
2010	2,167	545	25.1%
2013	2,061	651	31.6%

Source: North Carolina Department of Public Instruction

Income

Estimates from the 2009-2013 5-Year American Community Survey (ACS) by the US Census show that household income in Mitchell County was \$37,680 and that per capita income was \$21,404. Both numbers are slightly above estimates for the High Country Council Governments 7-county service area known as Region D. However, they are well below estimates for North Carolina and the United States.

Household and Per Capita Income Estimates (2009-2013 Average)

	Mitchell County	Region D	North Carolina	United States
Estimated Median Household Income	\$37,680	\$35,928	\$46,334	\$53,046
Estimated Per Capita Income	\$21,404	\$20,636	\$25,284	\$28,155

Source: U.S. Census Bureau
2009-2013 5-Year American Community Survey

According to 2009-2013 ACS estimates (see table, below), significant portions of Mitchell County's population, families, and households had incomes that fell below the federally designated poverty threshold. The estimates also show that the incidence of poverty in the County was higher than the estimates for both North Carolina and the United States.

Poverty Rate Estimates (2009-2013 Average)

	Mitchell County	North Carolina	United States
Percent of Population Below the Poverty Level	18.3%	17.5%	15.4%
Percent of Families Below the Poverty Level	14.8%	12.9%	11.3%
Percent of Households Below the Poverty Level	19.1%	16.0%	14.2%

Source: U.S. Census Bureau
2009-2013 5-Year American Community Survey

An average of 937 out of Mitchell County's estimated 6,455 households (14.5%) received direct cash payments and/or food stamp/SNAP benefits through government assistance programs during the 12 months preceding the 2009-2013 ACS surveys. The estimated mean cash assistance amount to households in a 12-month period during the 2009-2013 ACS survey period was \$1,927.00 for Mitchell County.

Public Assistance and Food Stamp/SNAP Benefit Estimates (2009-2013 Average)

	Mitchell County	North Carolina	United States
Households with Cash Public Assistance Income	2.4%	2.0%	2.8%
Households with Food Stamp/SNAP Benefits	13.5%	13.8%	12.4%
Households with Cash Public Assistance or Food Stamps/SNAP Benefits	14.5%	14.3%	13.1%

Source: U.S. Census Bureau
2009-2013 5-Year American Community Survey

2. Background

Educational Attainment

Approximately 81.3% of Mitchell County's population had a high school or higher degree according to the 2009-2013 ACS, which was close to but slightly lower than the figures for North Carolina and the United States (see table, below). However, the percentage of Mitchell County's population that attained a bachelor's or higher degree was relatively low at 16.9%, compared to 27.3% for North Carolina as a whole.

Educational Attainment

	Mitchell County	North Carolina	United States
Percent high school graduate or higher	81.3%	84.9%	86.0%
Percent bachelor's degree or higher	16.9%	27.3%	28.8%

Source: U.S. Census Bureau
2009-2013 5-Year American Community Survey

Data from the NC Department of Public Instruction indicate that for the 2012-13 school year, Mitchell County Schools had a graduation rate of 88% (compared to the NC rate of 82.5%). Mitchell County High School tracks college attendance rates for graduating seniors. Following the 2013-14 school year, 32% of Mitchell High School graduates attended a 4-year university, and 48% attended community college.

The financial benefit to individuals obtaining a high school or higher degree is illustrated by 2009-2013 ACS data that relates education level to poverty status. The following table shows poverty rate estimates for the population 25 or more years old for whom poverty status has been determined by educational level.

Poverty Rate by Educational Attainment

	Mitchell County	North Carolina	United States
Less than high school graduate	31.4%	30.8%	27.1%
High school graduate (includes equivalency)	18.2%	15.2%	13.7%
Some college or associate's degree	11.1%	11.3%	10.1%
Bachelor's degree or higher	5.4%	4.1%	4.3%

Source: U.S. Census Bureau
2009-2013 5-Year American Community Survey



2. Background

Agricultural Impact

According to the United States Department of Agriculture's 2012 Census of Agriculture, Mitchell County had 286 farms occupying 19,322 acres (13.6%) of the County's land area. Between 2007 and 2012, the amount of land in farms in the County decreased 15%.

In 2012, Mitchell County was the 6th largest producer of cut Christmas trees out of North Carolina's 100 counties. Its \$2.5 million in total farm sales in 2012 (a 30% decrease from 2007) led it to a ranking of 97th in the state.

Tourism Impact

Visit North Carolina, part of the Economic Development Partnership of North Carolina, annually releases visitor spending data as estimated by the U.S. Travel Association in a study known as The Economic Impact of Travel on North Carolina Counties. The U.S. Travel Association uses the following definition of travel for purposes of the study: Activities associated with all overnight trips away from home in paid accommodations and day or overnight trips to places 50 miles or more, one way, from the traveler's origin. (U.S. Travel Association Travel Economic Impact Model description, 2015). In 2014, 97 out of 100 counties experienced increases in visitor spending. Mitchell County had a 4.33% increase over 2014. The table below provides annual visitor spending figures for Mitchell County over the past 25 years.

Visitor Spending in Mitchell County, 1990 - 2014

Year	Visitor Expenditures (in millions)	Change from Previous Year
2014	\$21.97	4.33%
2013	\$21.06	0.48%
2012	\$20.96	2.34%
2011	\$20.48	7.21%
2010	\$19.10	4.07%
2009	\$18.35	-3.18%
2008	\$19.86	-0.06%
2007	\$19.87	6.71%
2006	\$18.62	5.80%
2005	\$17.60	4.56%
2004	\$16.83	8.07%
2003	\$15.58	-7.37%
2002	\$16.82	-1.87%
2001	\$17.14	-4.51%
2000	\$17.95	3.94%
1999	\$17.27	5.56%
1998	\$16.36	4.80%
1997	\$15.61	2.23%
1996	\$15.27	4.37%
1995	\$14.63	7.02%
1994	\$13.67	6.80%
1993	\$12.80	7.93%
1992	\$11.86	2.77%
1991	\$11.54	4.81%
1990	\$11.01	----

Source: The 2014 Economic Impact of Travel on North Carolina Counties Prepared for Visit North Carolina by the U.S. Travel Association



2. Background

The 2014 U.S. Travel Association study reported that travel to Mitchell County provided 160 jobs (the same as in 2013) and \$3.28 million in payroll (up from \$3.11 million in 2013). In 2013 and 2014, Mitchell County was ranked 83rd in travel expenditures in North Carolina counties.

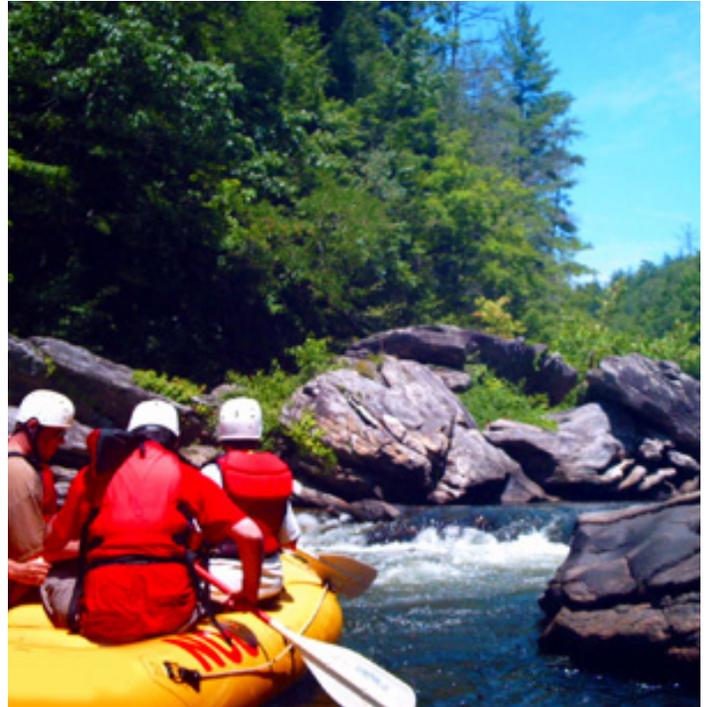
Labor Force and Commuting Patterns

The labor force consists of all persons living in an area who are eligible and able to work, whether they are employed, unemployed, and/or actively seeking work. According to employment statistics provided by the NC Commerce Labor and Economic Analysis Division, Mitchell County had an estimated labor force of 6,285 people at the end of 2014. Of those, approximately 5,878 (93.5%) were employed and 407 (6.5%) were unemployed.

Labor force statistics are based on the employment status of residents of an area, regardless of whether they work in that area.

Map 3 illustrates worker commuting patterns between home and employment locations, for Mitchell County residents and non-residents.

The 2006-2010 ACS estimated that approximately 32% of workers living in Mitchell County travel outside of the County for employment. Most of those residents travel to work locations within North Carolina; however some do work in other states, such as Tennessee and Florida.



2006-2010 Residence to Work Flow Estimates for Mitchell County Residents

	Number of Workers Living in Mitchell County	Percent of Workers Living in Mitchell County
Workers ≥ 16 Years Old Living in Mitchell County	6,370	----
Workers Living in and Employed in Mitchell County	4,323	67.9%
Workers Living in but Employed Outside of Mitchell County	2,047	32.1%
Employed Outside of Mitchell County but in North Carolina	1,757	27.6%
Employed Outside of North Carolina	290	4.6%

Source: U.S. Census Bureau
2006-2010 American Community Survey.

2. Background



The ACS estimates for the numbers and percentages of workers that live in Mitchell County but travel outside of the County for work (2,047 or 32.1%) and for those working in Mitchell County but living elsewhere (2,002 or 31.7%) are almost equal, as shown in the above and below tables. Most of those who travel to Mitchell County for employment live in other North Carolina counties, particularly Yancey, Avery, and McDowell Counties.

2006-2010 Residence to Work Flow Estimates for Mitchell County Workers

	Number of Workers Employed in Mitchell County	Percent of Workers Employed in Mitchell County
Workers ≥ 16 Years Employed in Mitchell County	6,325	----
Workers Living in and Employed in Mitchell County	4,323	68.3%
Workers Living Outside of but Employed in Mitchell County	2,002	31.7%
Living Outside of Mitchell County but in North Carolina	1,932	30.5%
Living Outside of North Carolina	70	1.1%

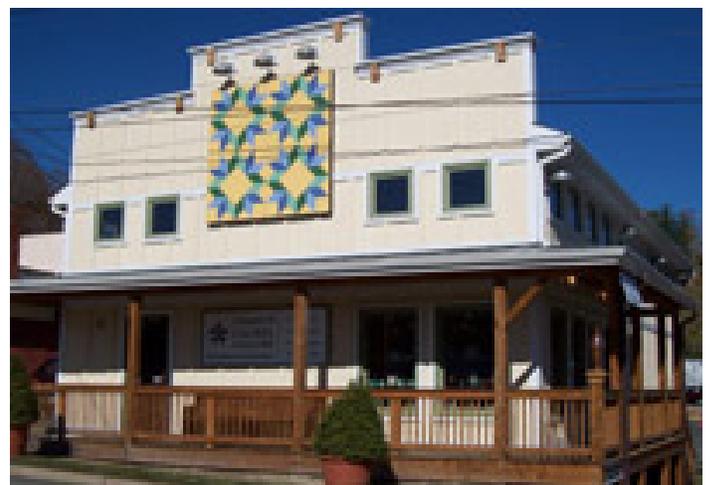
Source: U.S. Census Bureau
2006-2010 American Community Survey.

Employment and Wages

According to NC Commerce, Mitchell County had approximately 12 businesses and government agencies that employed 100 or more people as of the end of 2014 (see table, below). Of those, only the Mitchell County Board of Education had 250 or more employees.

The Quarterly Census of Employment and Wages in North Carolina (QCEW) program analyzes data on employment, wages, and employer contribution rates to unemployment insurance for employers subject to the North Carolina Employment Security Law. The law excludes self-employed individuals, those performing some agricultural services, and people working for religious and charitable organizations, among others. The QCEW produces quarterly and annual reports that summarize employer data by industry groups (or sectors), using the North American Industry Classification System (NAICS), and by employer location. The data includes information about companies located in Mitchell County that pay employees who work outside of North Carolina.

The 2014 QCEW annual report for Mitchell County (excerpts provided in a table, below) shows that of the industry groups for which data is provided, the largest employer was Health Care and Social Assistance. It made up 16% of the employment by establishments in Mitchell County. Educational Services was the second largest employment sector, at 14%, followed by Retail Trade (13%), Public Administration (9%), and Administrative and Waste Services (8%). Mining, with 6% of the County's employment, was the seventh largest employer, while Manufacturing was ninth.



2. Background

Mitchell County Establishments with 100 or More Employees (December 2014)

Rank	Company Name	Industry	Employment Range
1	Mitchell County Board of Education	Education and Health Services	250-499
2	Blue Ridge Regional Hospital	Education and Health Services	100-249
3	PRC Industries, Inc.	Professional and Business Services	100-249
4	Unimin Corporation	Natural Resources and Mining	100-249
5	Mayland Community College	Education and Health Services	100-249
6	Wal-Mart Associates, Inc.	Trade, Transportation, and Utilities	100-249
7	Mitchell County Government	Public Administration	100-249
8	Bombardier Motor Corporation of America (BRP US)	Trade, Transportation, and Utilities	100-249
9	Toe River Health District	Public Administration	100-249
10	New Buck Corporation	Manufacturing	100-249
11	Ingles Markets, Inc.	Trade, Transportation, and Utilities	100-249
12	SSC Spruce Pine Operating Company, LLC (Brian Center Health & Rehabilitation)	Education and Health Services	100-249

Source: NC Commerce, Labor and Economic Analysis Division



2. Background

Mitchell County 2014 Employment and Wages by Industry

NAICS	NAICS Title	Number of Establishments	Average Employment	Percent of Average Employment	Total Wages	Average Weekly Wage
11	Agriculture, Forestry, Fishing & Hunting	*	*		*	*
21	Mining	6	310	6%	\$19,009,120.00	\$1,179.00
22	Utilities	3	16	0%	\$1,329,545.00	\$1,598.00
23	Construction	47	161	3%	\$5,580,242.00	\$667.00
31	Manufacturing	23	264	5%	\$9,357,710.00	\$682.00
42	Wholesale Trade	13	218	4%	\$10,288,768.00	\$908.00
44	Retail Trade	60	661	13%	\$15,554,295.00	\$453.00
48	Transportation & Warehousing	18	267	5%	\$10,562,295.00	\$761.00
51	Information	9	11	0%	\$312,548.00	\$546.00
52	Finance & Insurance	18	101	2%	\$4,089,341.00	\$779.00
53	Real Estate & Rental & Leasing	15	42	1%	\$1,028,963.00	\$471.00
54	Professional & Technical Services	19	62	1%	\$1,910,581.00	\$593.00
55	Management of Companies & Enterprises	4	37	1%	\$1,235,855.00	\$642.00
56	Administrative & Waste Services	19	412	8%	\$8,356,655.00	\$390.00
61	Educational Services	15	718	14%	\$22,044,439.00	\$590.00
62	Health Care & Social Assistance	37	817	16%	\$28,169,312.00	\$663.00
71	Arts, Entertainment, & Recreation	6	30	1%	\$833,329.00	\$534.00
72	Accommodation & Food Services	29	313	6%	\$4,065,211.00	\$250.00
81	Other Services, Except Public Administration	36	112	2%	\$3,043,540.00	\$523.00
92	Public Administration	17	443	9%	\$12,689,979.00	\$551.00

* Data either not disclosed (by NC law if it could be used to identify a specific employing unit), reported, or tabulated.

Source: Quarterly Census of Employment and Wages in North Carolina, NC Commerce, Labor and Economic Analysis Division.

Since 2000, Mitchell County has experienced periods of significant manufacturing job losses due to plant closures and layoffs. According to QCEW historical data, manufacturing employment comprised 24% of the average employment in all sectors in Mitchell County in 2000. By 2006, that number had declined to 13%. For the last five years (2010 through 2014), manufacturing employment has held steady at 5% of the average employment in all sectors. Despite the sharp decline in manufacturing employment overall, some industries in Mitchell County have grown over time.

2. Background

During the past fifteen years, mining companies also had to lay off employees, although to a lesser degree than manufacturing firms. Between 2000 and 2014, mining employment ranged from 5% to 8% of employment in all sectors (QCEW, NC Commerce, Labor and Economic Analysis Division).

According to the QCEW, reported average wages are considered indicators of wage trends, not actual wage rates. The table (above) shows that the Mining industry group had the highest average weekly wage in Mitchell County in 2014 at \$1,179. Manufacturing was sixth, paying an average of \$682 per week.

For the fourth quarter of 2014, the average weekly wage across all employment sectors in Mitchell County was \$633. For comparison, it was \$890 per week for North Carolina and \$1,035 per week for the United States (U.S. Bureau of Labor Statistics, July 2015).



Resources

Natural Resources

Mitchell County has abundant natural resources that have long supported economic activity. These include prime farmland, timber, and minerals.

Mitchell County contains 4,381 acres of prime farmland (3.1% of the County). Additionally, the high elevations and climate support Fraser fir Christmas tree production, which can occur on steep slopes not conducive to other crop production. The

County contains 96,723 acres of timberland (forested area not subject to preservation). This represents 68.7% of the County, and includes many quality hardwood species. A total of 38,271 acres (27.2% of the County) are currently enrolled in the present-use value program as active agriculture or silviculture property.

Map 4 illustrates prime farmland and active agricultural property.

Mitchell County has had industrial-scale mining operations for over 100 years. The County produces 60% of the nation's feldspar, and almost 100% of the nation's and the world's ultra-pure quartz. Sand, mica, and gemstones (emeralds) are also produced at high levels. The following list shows major mining companies and their current operations in Mitchell County:

- Unimin Corporation - 4,778 permitted acres, 574 bonded acres
- Blue Ridge Quarries - 12 permitted acres, 6 bonded acres
- Quartz Corporation - 979 permitted acres, 479 bonded acres
- Vulcan - 152 permitted acres, 90 bonded acres

Refer to Map 5 for location of mining properties.

Outdoor Recreation

Mitchell County contains many outdoor recreation opportunities. Thirteen percent of the County is federal land, including 17,498 acres of Pisgah National Forest in the northern portion of the County and 600 acres of National Park Service (NPS) land along the southern border. Pisgah National Forest contains Roan Mountain and approximately 26 miles of the Appalachian Trail. Approximately 14 miles of the Blue Ridge Parkway are located in the County, providing the largest tourism draw. The Museum of North Carolina Minerals is located on the Blue Ridge Parkway, and houses the Mitchell County Chamber of Commerce Visitor Center. Approximately 1,500 vehicles per day travel the Blue Ridge Parkway in this area (NPS, 2006), and approximately 200,000 visitors per year stop at the Visitor Center (Mitchell County Chamber of Commerce, 2015).

The Town of Spruce Pine has two municipal parks - Brad Ragan Park and Riverside Park. The Town of Bakersville maintains the Creekwalk along Cane Creek.

2. Background

The North Toe and Nolichucky Rivers are located in Mitchell County, offering rafting, kayaking, and fishing opportunities. Additionally, the County contains 170 miles of Trout Streams, including 132 miles of Wild Trout Waters, 35 miles of Hatchery-Supported Trout Waters, and 4 miles of Delayed Harvest Trout Waters. Map 6 illustrates the Trout Waters in Mitchell County. Bakersville is a designated Mountain Heritage Trout city, and hosts an annual Trout Festival. Primitive camping is available in Pisgah National Forest, and several commercial campgrounds are located in the County.

Other common recreational pursuits in Mitchell County include golf, birdwatching, bicycling, and motorcycle riding. However, few businesses currently exist to serve the outdoor recreation industry.

Map 6 illustrates outdoor recreation features.

Arts and Crafts

Mitchell County has a long-established and well-renowned arts and crafts industry. Penland School of Crafts has operated since 1929, and currently has approximately 1,200 students and 14,000 visitors per year. The Toe River Arts Council (TRAC) has been promoting the arts and crafts industry since 1976. TRAC offers arts education, operates a gallery in Spruce Pine, and organizes a gallery and studio tour twice a year showcasing 24 artists in Mitchell County. Additionally, there are nine quilt trails established in the County, featuring over 200 quilt blocks.

Map 7 displays TRAC members.

Many events are held in Mitchell County that relate to the arts and crafts industry. These include:

- NC Rhododendron Festival (included the Bakersville Creek Walk Arts Festival in 2015)
- Fire on the Mountain Blacksmith Festival
- Spruce Pine BBQ Championship & Bluegrass Festival
- Penland School of Crafts Auction
- TRAC Benefit Art Preview and Auction

The arts and crafts industry has also benefited from two regional groups. HandMade in America was a non-profit community and economic development corporation established to grow the craft industry in western NC. It operated from 1995 until 2015. The

Blue Ridge National Heritage Area was established by the United States Congress in 2003 to protect, preserve, interpret, and develop the unique natural, historical, and cultural resources of western NC.



Civic Resources

Education and Healthcare

Educational institutions in Mitchell County include the Mitchell County Schools system, Mayland Community College, and three private schools. The Mitchell County Schools system (MCS) includes one primary school, two elementary schools, two middle schools, and one high school. MCS also operates the Mayland Early College High School on the Mayland Community College campus, at which students can earn both a NC High School Diploma and an Associate's Degree.

Mayland Community College (MCC) has its main campus at the Mitchell County/Avery County line. MCC offers a variety of academic, continuing education, customized industry training, and distance education programs. The MCC campus also houses a community kitchen, the Lees-McRae College Extended Campus, and a Small Business Center. MCC's Yancey County campus houses the Anspach Advanced Manufacturing School, which provides training in machining, 3D printing, design, and robotics.

MCC recently purchased the former Pinebridge property in downtown Spruce Pine. MCC is

2. Background

in the process of evaluating the property and existing buildings, with the goal of establishing a campus at the site that will offer law enforcement, cosmetology, and other training programs, as well as on-campus housing.

The NCWorks Career Center is located on the MCC main campus. The NCWorks Career Center offers services for job seekers and employers. At the Center, job seekers can develop a skills profile, search for available jobs, and apply for jobs directly through an online statewide system. Employers are provided with the following services at the Center:

- Recruitment and screening assistance
- Rapid response services for businesses closing or downsizing
- Assessment and testing services
- Education and training brokering
- Technical assistance on employment issues such as licensing, bonding, and certification
- Labor market Information



Blue Ridge Regional Hospital is a 46-bed facility located in Spruce Pine. It is part of the Mission Health System. The hospital contains an Emergency Department, Cardiac Clinic, Imaging Center, OB/GYN Department (including Birthing Center), and Geriatrics Department. The Blue Ridge Regional Hospital campus houses the East Carolina University (ECU) Dental Medicine Community Service – Learning Center. The Dental Medicine Center is a fully functioning dentistry office staffed by ECU faculty and is used also as a training facility for 4th-year dental students and residents. Also located on the campus is the Mauzy-Phillips

Center, which houses various medical practices and outpatient services. Lab services, x-ray, endoscopy, general surgery, wound care, and a pharmacy are available at the Center.

In Bakersville, the Bakersville Community Health Clinic is a Federally Qualified Health Center (FQHC) that provides primary care, women's health, pregnancy care, behavioral health, and chiropractic services.

Map 8 shows locations of Blue Ridge Regional Hospital, the NCWorks Career Center, and the public educational institutions in Mitchell County.

Additional information on the education system is included on pages 33-34.

Physical Infrastructure

Transportation

Mitchell County contains 320 miles of roadway, including 73 miles of primary roads (US 19E, NC 80, NC 226, NC 261, NC 197), and 247 miles of secondary roads. The majority of the roads are owned and maintained by the NC Department of Transportation (NCDOT). The Town of Spruce Pine owns and maintains 22 miles of town streets; the Town of Bakersville owns and maintains 3 miles of town streets.

The Mitchell County Transportation Authority (MCTA) is a County Department that provides transit services to Mitchell County residents. The MCTA operates a fleet of 13 vans to provide demand-response trips, including out-of-county medical trips. The MCTA can contract directly with employers to provide workforce transportation.

CSX Corporation provides freight rail service to the County with 49 miles of rail line. The railroad generally follows the North Toe River, providing service to industries and mining operations in Spruce Pine and the surrounding area.

The South Carolina Inland Port opened in 2013 in Greer, SC (Greenville, SC vicinity), approximately 100 miles from Mitchell County. The Inland Port is a large freight transfer facility situated along main rail lines and I-85 that is owned and operated by the SC Ports Authority. Trains travel between the Inland Port and the Port of Charleston five days per week, and trucks can deliver export containers to the Inland Port twenty-four hours a day, seven

2. Background

days a week. The facility is designed to reduce export transportation costs and carbon footprint by eliminating empty truck miles.

The closest commercial airports to Mitchel County are located in Asheville, NC, Hickory, NC, and Johnson City, TN.

Water and Sewer

Public water and sewer service is provided in Mitchell County by the Town of Spruce Pine and the Town of Bakersville. The Town of Spruce Pine's water system has a permitted treatment and storage capacity of 1.6 million gallons, and a 2014 average use of 0.93 million gallons per day (MGD). Spruce Pine's sewer system has a permitted capacity of 2.0 MGD, and had a 2014 average use of 0.97 MGD. Spruce Pine's water and sewer system coverage is within its Town limits and east along US 19E and south along NC 226.

The Town of Bakersville's water system has a storage capacity of 0.266 million gallons, and a 2014 average use of 0.05 MGD. Bakersville's sewer system has a permitted capacity of 0.2 MGD, and had a 2014 average use of 0.076 MGD. Bakersville's water and sewer system coverage is generally within its Town limits.

Electricity

Electric service providers in Mitchell County include Duke Energy and French Broad Electric Cooperative. Generally, Duke Energy serves the central portion of the County and French Broad Electric Cooperative serves the northern and southern portions of the County. Three-phase electric service is available throughout the County.

Natural Gas

Natural gas service is provided in Mitchell County by Piedmont Natural Gas. Piedmont serves the Towns of Spruce Pine and Bakersville, and has service along US 19E, NC 226 from Spruce Pine north to Bakersville, and NC 226 from Spruce Pine south to Grassy Creek. Service is market-driven (i.e., Piedmont provides service to individual residences and businesses on case-by-case basis).

Telecommunications

Telecommunications service is supplied in Mitchell County by 10 private internet service providers. Technologies include satellite, DSL,



wireless, cable modem, and fiber optic. In 2010, Country Cablevision received \$25.3 million in federal funding to complete a high-speed fiber optic broadband project. The project resulted in fiber being made available to 97% of homes and businesses in Mitchell and Yancey Counties. The project provides internet speeds up to 100 Mbps (megabits per second) to homes, and up to 1 Gig (gigabyte) for businesses.

Maps 9, 10, and 11 display physical infrastructure.

Access to Capital

Access to capital is a critical component of economic development. In addition to the private lending institutions in Mitchell County, many non-profit agencies provide capital to private businesses. These include:

- **MAY Coalition**
 - Loans up to \$250,000, tied to job creation
 - Loans up to \$25,000 for low-income business owners
- **Self-Help**
 - US Small Business Administration lender
 - Loans for female business owners
 - Loans for developers of multifamily housing
 - Funding for childcare providers
 - Loans for charter schools
- **Golden LEAF Foundation**
 - Administered by Self-Help
 - Focus on healthcare, construction, green industries, agriculture, manufacturing

2. Background

- **NC Rural Center**
 - Works with participating lenders
 - \$100,000 average loan
- **Farm Credit**
 - Loans for machinery, livestock, operating capital, land
 - Loans for agribusiness marketing, food processing
 - Loans for young and beginning farmers



Economic Development Organizational Structure

Economic development in Mitchell County relies on and results from strong partnerships between local, regional, state and federal government agencies, the business community, educational institutions, non-profit organizations and many others. Some of the principal partners are described below.

Local Partners

Mitchell County Government

Mitchell County has a county-manager form of government. Its 5-member Board of Commissioners appoints the members of the County's Economic Development Commission (see description, below), and provides funding for it. The County does not have a formal incentives package that it can offer businesses it is trying to recruit. However, in 2005, the Board of Commissioners established the Economic Development Incentive Grant Fund of Mitchell County, which can be used to assist private industries and commercial businesses that

are interested in occupying vacant manufacturing facilities in Mitchell County or that want to expand existing facilities or build new ones that will provide new or add more employment opportunities in Mitchell County.

Mitchell County Economic Development Commission

The Mitchell County Board of Commissioners reconstituted and reorganized the Economic Development Commission (EDC) in April of 2013. The EDC is a 9-member board with representatives of the business, education, and local government sectors. The purpose of the EDC is to encourage and promote economic development in the county. Its mission is to provide a unified economic development program that will encourage and promote the establishment, development, and retention of industrial, commercial, residential, and retail businesses in Mitchell County. The EDC provides support to existing businesses and industries and works to recruit new ones. For the past few years, it has been working to improve and market the former Henredon Furniture property with the goal of attracting an industry to the site.

The EDC employs an Economic Development Director (currently a part-time position) and is authorized to hire other staff. Its primary source of funding is an annual appropriation by the Mitchell County Board of Commissioners. However, it may also accept and use grants and gifts. The EDC operates from an office in the Mitchell County Government building in Bakersville.

Town of Bakersville

As the Mitchell County seat, the Town of Bakersville is home to the Mitchell County Courthouse and most Mitchell County Government offices. Bakersville has a mayor-council form of government. The Town has its own public water and wastewater collection systems. It also provides police protection, residential garbage and recyclables pick-up, street maintenance and streetlights. Its Creekwalk, along Cane Creek in the downtown area, offers recreation and community gathering opportunities. The Town of Bakersville's representative on the Mitchell County EDC is currently its Mayor.

Town of Spruce Pine

The Town of Spruce Pine operates under a council-manager form of government. It provides both

2. Background

water and wastewater services inside, and to some areas outside, its corporate limits. Other services include police and fire protection, parks and recreation, downtown economic development (see Spruce Pine Main Street Program description, below), street maintenance, and pick-up of leaves, brush, and white goods, among others. The Town regulates land use in its planning jurisdiction through its zoning ordinance. Spruce Pine offers several incentives for businesses including a revolving loan fund with an interest rate of 5% and a building façade grants program for commercial properties within the designated Spruce Pine Main Street area. Façade grants provide a 50/50 match (up to \$2,000) to successful applicants for expenses related to permanent building façade improvements. The Town Manager currently represents Spruce Pine on the Mitchell County EDC.

Mitchell County Chamber of Commerce

The mission of the Mitchell County Chamber of Commerce (Chamber), a 400+ member organization for area businesses, is to “support business and promote community.” Led by a 19-member Board of Directors and two staff members, the Chamber promotes Mitchell County and its member businesses, and provides networking opportunities, training, and other support services. It is also the County’s primary travel and tourism development and marketing organization. As such, it operates a Visitor Center near the Blue Ridge Parkway in the National Park Service’s Museum of North Carolina Minerals, which sees more than 200,000 people a year. The Chamber also has an office in downtown Spruce Pine.

Per state law, Mitchell County remits to the Chamber, on a quarterly basis, the net proceeds of the 3 percent occupancy tax revenue it collects on rentals of rooms, lodging, or similar overnight accommodations provided by hotels, motels, inns, and related businesses. The legislation stipulates that the funds be used to promote travel and tourism, to sponsor tourist-oriented events and activities, and to finance tourism-related capital projects. The Chamber has a Travel and Tourism Committee that guides the use of the funds. Mitchell County collected \$52,232 in occupancy taxes in Fiscal Year (FY) 2014 and \$50,832 in FY 2013.

Perhaps the most significant tourism income-generating event that the Chamber organizes is the annual North Carolina Mineral, Gem and Jewelry Festival. The festival, which started in the early



1950s, brings approximately 50 vendors and 6,000 visitors from around the country to Spruce Pine for several days each summer. Two other mineral and gem shows occur concurrently with the North Carolina Mineral, Gem and Jewelry Festival in the Spruce Pine area, increasing total visitation to approximately 10,000.

Market on Oak

The Market on Oak is a non-profit destination retail shop in downtown Spruce Pine that promotes and sells works and products by Western North Carolina artists, farmers, food artisans, writers, and musicians. Its mission is “to provide the gifted, vibrant people of our region - many of whom have lost their jobs in the furniture and manufacturing industries to overseas factory relocations - a way to make a living doing what they love and what they know best.” The Market on Oak, which grew out of the Home of the Perfect Christmas Tree project of the Mitchell County Development Foundation, Inc., strives to give visitors a sense of Western North Carolina mountain culture and values while providing an opportunity for its producers to earn income from their craft. It also provides annual scholarships to local high school students to help them further their education.

Spruce Pine Main Street

Spruce Pine became a designated North Carolina Main Street community in 1991. The Spruce Pine Main Street area generally consists of properties between Oak Street and US Hwy 19E intersection on the east, Greenwood Road to the west, Walnut Avenue and Oak Avenue to the north, and US Highway 19E to the south (see inset on Map 8).

2. Background

Spruce Pine Main Street, Inc. (SPMS), which manages the local Main Street program, is a 501(c)(3) non-profit corporation with a 15-member Board of Directors and an Executive Director. It operates with funding and other support from the Town of Spruce Pine as well as volunteers. The mission of Spruce Pine Main Street, Inc. is: “to foster and promote the economic and cultural viability of our downtown center through a spirit of cooperation.” SPMS hosts/co-hosts several annual downtown festivals and also develops and implements projects and programs, such as the Main Street Central Park project, to enhance downtown. Its work is guided by the National Trust for Historic Preservation’s model for downtown economic development, known as the Main Street Four Point Approach®, which emphasizes organization, design, promotion, and economic restructuring. In 2012, SPMS adopted a Downtown Master Plan.

Spruce Pine Main Street Statistical Summary

	FY 2013-14	1991* to FY 2013-14
Facades Redone	0	36
Building Renovations	1	44
New Jobs	9	350
Jobs Lost	6	107
Net Job Gain	3	243
New Businesses	3	85
Businesses Closed	2	42
Business Gain	1	43
Business Expansion	1	18
New Investment Public	\$0	\$1,324,600
New Investment Private	\$209,000	\$7,922,901
New Investment Total	\$209,000	\$9,247,501
Improvement Projects**	0	3
Construction Projects**	0	3
Volunteer Hours**	1,524	10,064

*Spruce Pine became a Main Street program in 1991.

**Tracking began in FY 2010-11.

Source: NC Main Street Center, September 2014

State Partners

North Carolina Department of Commerce

The North Carolina Department of Commerce (NC Commerce) is the state’s lead agency for economic, community, and workforce development.

Its mission is to improve the economic well-being and quality of life for all North Carolinians. NC Commerce and its divisions oversee the state’s economic incentive programs, administer the state’s employment security system, provide communities with economic and community development grants and planning services, and publish data, statistics, information, and reports on the economy for businesses, policymakers, local governments, citizens, and others. NC Commerce also manages the state’s contract with the Economic Development Partnership of North Carolina for business recruitment, marketing, and other functions.

Economic Development Partnership of North Carolina

The Economic Development Partnership of North Carolina (EDPNC) is a 501(c)(3) non-profit corporation, founded in 2014, that manages business and job recruitment and retention, international trade, and tourism, film, and sports development on behalf of (and under a contract with) the state of North Carolina and its Department of Commerce. In 2015, Mitchell County developed a direct link to the EDPNC. County Commissioner and former Interim Economic Development Director Bill Slagle is now employed by the EDPNC’s Business Services unit as the Northwest Regional Industry Manager. In that role, he provides support to existing industries in a 12-county area of the state known as the Northwest Prosperity Zone.

North Carolina Department of Agriculture and Consumer Services

The mission of the North Carolina Department of Agriculture and Consumer Services (NC DACS) is to provide services that promote and improve agriculture, agribusiness and forests; protect consumers and businesses; and conserve farmland and natural resources for the prosperity of all North Carolinians. NC DACS and its divisions work with farmers, businesses, and consumers on a variety of regulatory matters and non-regulatory services in areas that intersect with economic development, such as agricultural and livestock marketing and promotion (such as its Got to Be NC marketing campaign), agricultural economic analysis, and operation of the North Carolina State Fair, the North Carolina Mountain State Fair, and four state farmers markets, for example.

2. Background

North Carolina Cooperative Extension Service

The North Carolina Cooperative Extension Service, based in the College of Agriculture and Life Sciences at North Carolina State University and in the School of Agriculture and Environmental Sciences at North Carolina A&T University, works with communities to provide research-based agricultural, food, and youth programs to enrich the lives, land, and economy of North Carolinians. It does so through centers in each county in the state and with the Eastern Band of Cherokee Indians, where county agents connect their communities with the research, technology, and other resources of the universities. It also collaborates with partners in agriculture, business, education, government, and industry, as well as the national network of land-grant universities and the United States Department of Agriculture.



Federal Partners

US Economic Development Administration

A branch of the US Department of Commerce, the Economic Development Administration (EDA) is the only federal government agency focused exclusively on economic development. EDA accomplishes its mission through strategic investments that foster job creation and private-sector investment. Investments are made within the following EDA programs:

- **Public Works** – provides funding for physical infrastructure necessary for business attraction/expansion
- **Economic Adjustment** – assists state and local governments that are experiencing challenges to their economic base
- **Trade Adjustment Assistance** – helps strengthen the competitiveness of American companies that have lost sales and employment because of increased imports

- **Local Technical Assistance** – provides funding for feasibility studies for potential economic development projects (industrial parks, incubators, etc.)

The EDA operates through six regional offices nationwide, and has Economic Development Representatives that are points of contact at the state level. Recent EDA investments in Mitchell County include a Local Technical Assistance grant to assist TRAC with a branding/wayfinding project, and a Public Works grant to the Town of Spruce Pine to improve infrastructure serving PRC Industries.

Appalachian Regional Commission

The Appalachian Regional Commission (ARC) is a regional economic development agency established by Congress in 1965. The ARC region covers portions of 13 states, including the 29 western counties in NC. The ARC provides matching funds to local governments, non-profits, and educational institutions for projects that increase job opportunities and incomes. ARC program areas include asset-based development, infrastructure, education/training, entrepreneurship, health, telecommunications, and transportation. ARC programs in NC are managed by staff of the NC Department of Commerce, Rural Economic Development Division, with local assistance provided by Local Development Districts (LDD). The LDD serving Mitchell County is High Country Council of Governments. Past ARC investments in Mitchell County include a grant to improve the access road serving the County's industrial site, and a grant to Graham's Children Health Services for telemedicine equipment for the County's elementary schools.

US Department of Agriculture

The United States Department of Agriculture (USDA) Rural Development branch operates over 50 programs to improve the economy and quality of life in rural areas. Common programs include:

- Business and Industry Loan Guarantees – guarantees bank loans to rural businesses
- Community Facilities Loans and Grants – provides funds for health care facilities, town halls, child care centers, fire trucks, etc.
- Housing Programs – a variety of housing programs provide loans and grants directly to homeowners

2. Background

- Water and Waste Disposal Loan and Grant – provides funding to local governments for water and sewer system improvements
- Rural Economic Development Loan and Grant – capitalizes revolving loan funds for local utilities (i.e., electric cooperatives) to make loans to businesses that will create or retain jobs

USDA Rural Development programs are administered through a network of Area and Local Offices. The Area Office serving Mitchell County is in Asheville; there is a Local Office in Spruce Pine.

US Small Business Administration

The United States Small Business Administration (SBA) provides assistance to small businesses through the following functions:

- Access to capital
- Entrepreneurial education and training
- Government contracting assistance
- Advocacy (related to regulatory burdens on small businesses)

The SBA's two primary loan programs are the 7(a) program and the 504 program. The 7(a) program provides funding to small businesses through a private lender. The 7(a) loans can be used for purchase of real estate and equipment, as well as working capital. The 504 program provides loans directly to businesses for real estate and equipment. The 504 program is managed through Certified Development Companies, eight of which operate in NC.

Technical assistance is provided by the SBA through support of US Export Assistance Centers, Small Business Development Centers (at University of North Carolina system universities), Women's Business Centers, Veteran's Business Centers, and SCORE chapters.

3. Planning Process

Planning Committee Appointment

After agreeing to work with the Technical Team on the *Mitchell Works Plan*, the EDC appointed a Planning Committee for the project comprised of local residents, business owners, Mitchell County staff, and state agency representatives. A list of Planning Committee members is included in the Acknowledgements section. The Planning Committee's responsibilities included actively participating in meetings and other project activities, providing local information, and providing policy guidance to the Technical Team. Mitchell County's Interim Economic Development Director was the Technical Team's primary local contact and coordinator for the project.

Planning Committee Meetings

Between March 2014 and October 2015, the Planning Committee met 11 times. The topics reviewed by the Technical Team and discussed by the Planning Committee at each meeting are listed in the following table:

Mitchell Works Plan
Planning Committee Meetings

Meeting Date	Topic(s)
March 26, 2014	Planning Committee Orientation and Visioning
April 10, 2014	Employment Sector Analysis
May 8, 2014	Manufacturing and Mining
August 14, 2014	Industry Interview Report; Strategic Plan Goals; Regional Opportunities
September 11, 2014	Transportation; Land Use (Existing and Future)
October 9, 2014	Infrastructure; Agriculture; Small Business
November 25, 2014	Workforce Development Organization of Economic Development
January 22, 2015	Planning Committee Recommendations
February 5, 2015	Planning Committee Recommendations
March 3, 2015	Planning Committee Recommendations
October 8, 2015	Draft Document

A number of other individuals attended Planning Committee meetings (at the request of the Interim Economic Development Director and/or the Technical Team) to serve as technical resources, to share information, and to participate in discussions, including:

- Jessica Brannock, GIS Planner, High Country Council of Governments
- Richard Canipe, Town Manager, Town of Spruce Pine
- Bob Davies, Brand Strategist, The Goss Agency
- Gordon Farquhar, Director of Client Services, The Goss Agency
- Shirley Hise, Executive Director, Mitchell County Chamber of Commerce
- Keith Holtsclaw, County Commissioner, Mitchell County
- Blair Hyder, Tax Assessor, Mitchell County

3. Planning Process

- Patti Jensen, Tourism Director/Marketing, Mitchell County Chamber of Commerce
- Dean Russell, Project Manager-Consultant, Country Cablevision
- Kegan Silver, Mapping/Land Records Manager, Mitchell County
- Adrian Tait, Workforce Development Director, High Country Council of Governments
- Charles Vines, Mayor, Town of Bakersville (and County Manager, Mitchell County)

Interviews

To supplement and enhance the data and other information assembled through research, Planning Committee meetings and other sources, the Technical Team conducted interviews with local leaders of businesses and organizations that represent several of Mitchell County's principal industry sectors (manufacturing, mining, tourism, and arts and crafts). Through the interviews, the Technical Team intended to gather input and perspectives on: the state of the workforce, transportation, business climate, and other characteristics of Mitchell County's economy; the future plans for each business/organization; and any recommendations those interviewed would have for Mitchell County's economic development strategic planning effort. The Technical Team interviewed the following people:

- Gary Jensen, Owner, Switzerland Inn
- Jean McLaughlin, Executive Director, Penland School of Crafts
- Denise Cook, Executive Director, Toe River Arts Council
- Susan Larson, former Executive Director, Toe River Arts Council
- Chris McCurry, Co-founder and Owner, Highland Craftsmen, Inc. - Bark House® Brand
- Bud Young, Plant Manager, The Quartz Corporation
- Henry Street, Plant Manager, and Lisa Bryant, Human Resources Manager, BRP US, Inc.
- Susan Barber, Director of Operations, and Dan Frisbee, Facilities Manager, PRC Industries, Inc.
- Jeff Vance, County Extension Director, NC Cooperative Extension

Vision Statement

During its first meeting, the Planning Committee worked with the Technical Team to develop a vision for economic development in Mitchell County. The Planning Committee revisited the vision statement while preparing recommendations for this plan and affirmed its relevance for guiding future economic development efforts. The vision statement reads as follows:

Mitchell County's economic development strategy allows its existing and new businesses to thrive, fosters regional collaboration, and maximizes its core strengths and connections to be a community where its well-equipped workforce has access to quality local jobs, tourists contribute to the economy, and young people succeed.

Goals

Based on Planning Committee meeting discussions, interviews with industry representatives, data collection and analysis, reviews of existing plans, policies and programs, and other research, the Technical Team developed a list of broad goals for economic development in Mitchell County. The goals, which the Planning Committee endorsed, include the following:

- Increase the availability of business and industrial land.
- Increase development activity to increase the tax base.
- Better leverage and market the tourism, arts, and cultural assets; re-capture Penland visitors.
- Intensely focus on building the County's strong small business environment.
- Prioritize and fill gaps in critical infrastructure, such as broadband and cell phone coverage.



3. Planning Process

- Invest in improving appearance and development in Spruce Pine and Bakersville.
- Break out of the isolation mentality and aggressively invest in marketing, travel, and making connections.
- Continually work to improve the quality of the workforce.
- Coordinate efforts to create a single economic development port of entry organization.

Development of Recommendations

Beginning in January of 2015, Planning Committee meetings became work sessions focused on drafting recommendations for the *Mitchell Works Plan*. Using the Planning Committee meeting topics, or “Economic Development Foundations,” as the organizing framework, the Technical Team proposed a set of preliminary recommendations to provide a starting point for Planning Committee discussions that spanned three meetings. The Planning Committee revised and refined the preliminary recommendations to produce those found in the Economic Development Foundations and Local Organization for Economic Development sections of the Plan.

Plan Review and Adoption

Following development of a draft document, the *Mitchell Works Plan* was provided to the Planning Committee and officials from Mitchell County, the Town of Bakersville, the Town of Spruce Pine, the Mitchell County EDC, and the Mitchell County Chamber of Commerce for review. Following review and comment, the Mitchell County EDC adopted the *Mitchell Works Plan* on February 26, 2016. The Mitchell County Board of Commissioners hosted a public meeting regarding the *Mitchell Works Plan* on April 6, 2016. Representatives from the Planning Committee, the Mitchell County Board of Commissioners, the Bakersville Town Council, the Spruce Pine Town Council, the Mitchell County EDC, the Mitchell County Chamber of Commerce, and the Mitchell County Board of Education, and other interested parties attended.

4. Economic Development Foundations

The Planning Committee developed recommendations for policies, programs, and projects that would have the most direct effect on Mitchell County's economic vitality and that the EDC could implement or influence.

The recommendations offered by the Planning Committee are organized into the following Economic Development Foundations:

- Workforce
- Physical Infrastructure
- Industry
- Small Business
- Tourism
- Agriculture
- Land Development

To set the stage for the recommendations, the Foundation areas list some of Mitchell County's associated economic development assets and challenges. The lists are not intended to be exhaustive. Rather, they recognize opportunities upon which the County can build and identify some issues or factors that, if not addressed, could limit future economic growth.

Workforce

Assets

Mitchell County's workforce development infrastructure consists primarily of the Mitchell County Schools system, Mayland Community College (MCC), and the NCWorks Career Center.

Mitchell County Schools

The Mitchell County Schools Career and Technical Education (CTE) program offers the following credentials:

- Certified Nursing Assistant (CNA)
- CPR and Red Cross certifications
- ServSafe food safety
- Welding certificates
- NATEF and ASE automobile service credentials
- Early Childhood Education certification

Mitchell County Schools recently received a grant of \$350,000 from the Golden LEAF Foundation to expand its science, technology, engineering, and

mathematics (STEM) program. Funds will be used to outfit STEM labs at the middle schools and high school with computers and other equipment.

Mayland Community College (MCC)

MCC's main campus is located on US 19E at the Mitchell County/Avery County border, approximately four miles from downtown Spruce Pine. MCC offers 15 Associates of Arts and Associates of Sciences Degree programs, 14 Diploma programs, and 34 Certificate programs. Programs include Adult Education; Business, Engineering, and Public Services Technologies; Health Sciences; and Applied Technology programs. Additional MCC offerings relevant to economic development include:

- Customized training programs for new and expanding business and industry
- Project Skill-Up, a program that provides short-term occupational skills training
- The Small Business Center, which provides business owners with information, training, counseling, and referrals
- A community kitchen with commercial equipment available for public use
- Anspach Advanced Manufacturing School at the Yancey County campus, which provides training in machining, 3D printing, design, and robotics

Market on Oak

Market on Oak, a project in downtown Spruce Pine that showcases and sells local hand-crafted gifts, has a scholarship program. The program provides two scholarships per year to Mitchell High School students to attend MCC. The scholarships average \$500 each.



4. Economic Development Foundations

NCWorks Career Center

The NCWorks Career Center is located on the MCC Campus. It offers a variety of services to job seekers and employers, and houses Workforce Innovation and Opportunity Act (WIOA) and NC Commerce staff.

Challenges

Mitchell County's 2015 workforce is 6,293. The relatively small workforce is a challenge in recruiting large employers.

While the percentage of Mitchell County residents with at least a High School diploma (81.3%) is close to the state figure of 84.5%, the percentage of Mitchell County residents with at least a Bachelor's degree (16.9%) is significantly less than the state figure of 26.8% (NC Commerce data).

The primary workforce challenges noted during Planning Committee meetings, interviews with local businesses, and the 2013 Economic Development Forum for Western North Carolina are:

- Lack of basic skills (math, computer technology)
- Lack of soft skills (communications, work ethic)
- Failure to pass drug testing
- Relatively high age of existing workers

Recommendations

The following recommendations are made to improve the skills, capacity, and marketability of the workforce in Mitchell County:

- 1. Support the Pathways to Prosperity program (P2P) - an initiative of the non-profit Jobs for the Future, P2P builds systems of career pathways linking high school, work, and community college to increase the number of youth who complete high school and attain a postsecondary credential with labor market value. Support locally should involve:**
 - Schools creating early and sustained career information and advising systems;
 - Employers providing a continuum of workplace learning opportunities; and
 - Advocacy for supportive state policies
- 2. Utilize Mayland Community College's Anspach Advanced Manufacturing School**

- 3. Work with Mayland Community College to address manufacturing workforce training needs**
- 4. Promote Career Readiness Certification (CRC) in Mitchell County. CRC is a credential given to individuals who meet proficiencies reading, math, and problem-solving.**
- 5. Pursue NCWorks Certified Work Ready Community (WRC) designation for Mitchell County. The WRC designation is based on local utilization of the CRC Program, and is used to attract outside business**
- 6. Support the STEM program in the Mitchell County Schools system**
 - Connect Mitchell County Schools system staff with local business owners to organize presentations to students on STEM career/entrepreneurship opportunities
 - Educate Mitchell High School staff on Golden LEAF's scholarship program, and other STEM program scholarship opportunities
- 7. Develop an internship program between Mitchell High School and local businesses that incentivizes keeping graduating students in Mitchell County**

Physical Infrastructure

Assets

Mitchell County's physical infrastructure is detailed in the Background Section and illustrated on Maps 9, 10, and 11.

Water and Sewer

The Town of Spruce Pine's water and sewer systems have sufficient capacity to serve new businesses and industry. The Town of Bakersville's water and sewer capacities are smaller, but are still adequate to support small business growth.

Telecommunications

Broadband telecommunications capacity in Mitchell County is exemplary. Fiber is located throughout the County, available to 97% of existing residences and businesses. An additional asset for broadband infrastructure is the NC Office of Information Technology Services (OITS). The OITS maintains field staff who work with local governments to:

- Build partnerships with broadband service providers
- Locate unserved and underserved businesses and residences

4. Economic Development Foundations

- Identify opportunities to leverage assets, and help make the business case for Internet service providers to serve these markets
- Identify any potential broadband funding opportunities

Transportation

The major highway connection to Mitchell County is US Highway 19E. US 19E is currently being widened to four lanes from NC 80 in Yancey County to Spruce Pine (NCDOT TIP Project #R-2519B). The project is scheduled to be completed in December 2019. When complete, US 19E will provide more efficient freight access to I-26, I-40, and I-81, and provide easier access for visitors and commuters.

Other transportation assets include CSX rail service in the County, and proximity to regional airports in Hickory, Asheville, and Johnson City, TN and the South Carolina Inland Port in Greer, SC.

Challenges

Topography

Mitchell County faces challenges to infrastructure development that are typical for rural, mountainous areas. The cost of roadway, waterline, and sewerline construction can be significantly higher due to rocky soils and steep terrain. The steep terrain requires more excavation (cut and fill slopes) for roads, the use of pump stations and force mains for sewer systems, and limits the size of pressure zones for water systems. The terrain and relatively sparse population also have a negative effect on cellular signal coverage.

Utility Needs

Specific utility needs include a larger waterline along NC 226 south of Spruce Pine to serve the Grassy Creek area; and large-scale rehabilitation of Bakersville's water distribution lines. The relatively small size (customer base) of the Towns' utilities makes financing system improvements costly per customer, and the Town of Spruce Pine's availability/tap fees can be challenging for new businesses.

Transportation

Specific transportation needs include improvements to US 19E east of Spruce Pine, and improvements to NC 226 from Spruce Pine to US 221 in McDowell County. The NCDOT's funding formula (resulting from the 2013 Strategic

Transportation Investments legislation), will make highway projects in Mitchell County less competitive for funding.

Recommendations

The following recommendations are made to capitalize on the assets and address the challenges of the physical infrastructure in Mitchell County:

1. **Market Mitchell County's broadband infrastructure to prospective businesses and industries**
2. **Support creation of Wi-Fi hotspots in commercial areas**
3. **Create Mitchell County web applications (apps) that highlight the Economic Development Foundations identified in this plan**
4. **Advocate for the NC Department of Transportation to widen US 19E east of Spruce Pine**
5. **Advocate for the NC Department of Transportation to improve NC 226 from US 221 to the Blue Ridge Parkway**
6. **Increase waterline size and water storage capacity along NC 226 South (Grassy Creek)**
7. **Study the feasibility of connecting the Town of Spruce Pine and the Town of Burnsville water systems**
8. **Develop and implement water and sewer Capital Improvement Plans for Spruce Pine and Bakersville; include the Mitchell County EDC and the Mitchell County Schools system in the processes**
9. **Study the feasibility of extending public water and sewer service to Little Switzerland**
10. **Establish formal policies for the waiver/reduction of tap fees for water and sewer service as an incentive for business recruitment/expansion**



4. Economic Development Foundations

Industry (manufacturing, including mining)

Mitchell County has a long industrial history. Industry is generally defined as the business of producing goods and services. For purposes of the *Mitchell Works Plan*, industry in Mitchell County includes manufacturing and mining businesses.



Assets

Capacity

There are existing manufacturing businesses in Mitchell County (BRP and New Buck Corporation, for example) that have the capabilities and/or facilities to expand production capacity, to diversify their product offerings and to serve additional and different customers. Expansion of such manufacturers could result in their businesses creating new jobs, attracting businesses that provide goods and services to them, and/or the establishment of businesses that use the products they make.

Industrial Site

Mitchell County, the EDC, and the Town of Spruce Pine are working to complete road and other site improvements to serve the former Henredon Furniture property. The site, which contains approximately 14.7 acres with an existing 215,000 square foot pad, should be ready for use by late 2015 or early 2016. The site could potentially satisfy prequalification requirements for the North Carolina Department of Commerce to designate it as a North Carolina Certified Site (CS). The CS designation is intended to mitigate risks associated with acquiring and developing an industrial site by providing detailed information about the property such as access, availability of utilities, environmental conditions, price, and more. Industrial sites that meet a set of 31 prerequisites may be designated as Certified Sites. The site is currently marketed on the NC Commerce AccessNC website.

Mineral Resources

Mitchell County's long-standing mining industry, from the extraction and processing of industrial minerals and construction aggregates to natural building stone and gemstones, continues to be an economic driver. While their applications and uses may change over time and there may be more competition from synthetics, it is unlikely that the demand for most of the products of mining in Mitchell County will recede.

Regulation and Tax Burden

Mitchell County and the two Towns have regulatory and property tax rates that are beneficial to small business development/recruitment. Mitchell County and the Town of Bakersville do not have comprehensive development regulations (zoning). The Town of Spruce Pine has a Zoning Ordinance which regulates development within 12 districts. There are four Business Districts, which account for roughly 10% of the zoned area. Minimum requirements for development in the business districts include parking space provisions, building height limits, setbacks, and screening of adjoining residential uses.

Effective tax rate data for 2013 from the NC Department of Revenue indicate that Mitchell County and the Towns of Spruce Pine and Bakersville have property tax rates below statewide averages. Effective rates are normalized using sales data, to account for different evaluation years among counties and municipalities. Mitchell County's effective property tax rate was \$0.42/\$100 value, compared to a statewide average of \$0.67/\$100 value (low of \$0.32/\$100 value and a high of \$1.12/\$100 value). Spruce Pine's rate was \$0.42/\$100 value and Bakersville's rate was \$0.37/\$100 value, compared to a statewide average of \$0.43/\$100 value (low of \$0.02/\$100 value and a high of \$0.98/\$100 value).

Challenges

Lack of Sites for New Industry

With the exception of the former Henredon Furniture site, discussed above under Assets, Mitchell County does not have an available inventory of sizeable, undeveloped properties that are fairly level, have good transportation access, are adequately served by infrastructure, and/or have other features that make them suitable for industry.

4. Economic Development Foundations

Lack of Available Buildings

Inquiries made to the EDC by site consultants and others have suggested that Mitchell County needs to have a 300,000 to 350,000 square foot building to market. Other than a vacant building twice that size that is located next to PRC Industries and owned by Krantz Realty Corp., the number of buildings in the county that are suitable and available for larger-scale manufacturing is limited.

Lack of Formal Incentives Program to Attract Industry

As noted previously, Mitchell County does not have a formal incentives package to offer industries it hopes to recruit. The EDC has purchased some of the Town of Spruce Pine's water and sewer capacity, which can be used as an incentive. The County's Economic Development Incentive Grant Fund, which can be used to assist job-creating businesses interested in occupying vacant manufacturing facilities, expanding existing facilities or building new ones is a tool, but it may not be enough to attract new industries or to encourage existing ones to expand. Some types of incentives offered by local governments include infrastructure extensions, expedited permitting, permit fee reductions, land and cash grants, industrial revenue bonds (tax-exempt financing), and project development bonds.

Location of Suppliers / Business Services Relative to Mitchell County

Interviews with industry representatives confirmed that some of their supply and business service needs cannot be satisfied locally. Examples of goods and services that those interviewed have obtained from outside of Mitchell County (and, at times, the region) include: general contractors, electricians, and other tradespeople that serve large industrial customers; advanced/next technology accelerators (to design and produce specialized instruments, equipment, etc.); machined parts; electrical supplies; forklifts; truck repair; locksmith; service contracts for leased equipment; computer equipment support; plastic pipe; shipping services for high-end art; and legal, accounting, and other professional services.

Lack of Qualified Mining Industry Workforce

In discussing its workforce needs with the EDC and the Technical Team, mining industry representatives noted that locally available education and training in heavy equipment operation, geology and

processes that are unique to the mining industry would be useful. Because the wage rates paid by mining businesses, particularly at the supervisory level, are among the highest in the county, employee turnover is not very high. However, the mining workforce is aging and when employees retire, there may not be qualified local people to fill vacant positions.

Recommendations

The following recommendations are intended to help Mitchell County attract new industries and to retain and expand existing ones:

- 1. Recruit new industry to occupy the former Henredon Furniture property**
 - Complete NC Commerce's Certified Site designation process for the former Henredon Furniture property for marketing purposes
 - Develop a formal local incentives program for new and existing business development
- 2. Help existing Mitchell County businesses and industries grow their operations/expand their sales**
 - Work with NC Commerce, the Economic Development Partnership of North Carolina, and the NC Department of Agriculture to find new markets for Mitchell County products
 - Increase exports - connect Mitchell County companies interested in exporting their products with NC Commerce, the Economic Development Partnership of North Carolina, and the US Department of Commerce
 - Develop a formal local incentives program for new and existing business development

4. Economic Development Foundations

Small Business

Assets

The Towns of Spruce Pine and Bakersville are both involved in efforts to improve economic activity in their jurisdictions.

Downtown Promotion Organizations

The Town of Spruce Pine was designated as a NC Main Street community in 1991. The NC Main Street Program provides technical assistance from NC Commerce to encourage economic development within the context of historic preservation. The Main Street program in Spruce Pine is run by Spruce Pine Main Street, a non-profit organization dedicated to promoting economic development in the downtown area. The organization promotes and sponsors festivals and events, operates a façade grant program, markets downtown commercial real estate, and provides assistance to downtown businesses.

The Town of Bakersville was an active participant in HandMade in America's Small Town Revitalization Program. HandMade in America operated from



1995-2015 as a non-profit organization focused on growing economies through promotion of crafts and creative placemaking. The Small Town Revitalization Program provided technical assistance to towns to connect them with funding and other resources for local projects. Bakersville's participation in the program led to the creation of the Bakersville Improvement Group (BIG). BIG is a volunteer group that works to improve the quality of life in Bakersville. It has a foundation that provides grants, and maintains a website promoting Bakersville and its local businesses.

Regulation and Tax Burden

Mitchell County and the two Towns have regulatory and property tax rates that are beneficial to small business development/recruitment. Details are included in the Industry section on pages 38-39.

Challenges

Challenges to business development/recruitment identified by the Mitchell Works Planning Committee focused on downtown Spruce Pine, and business support services. In downtown Spruce Pine, there are several properties owned by absentee landowners. Commercial real estate that is not owner-occupied is resulting in underutilized buildings, and lost sales tax and employment opportunity. There is also a lack of available, marketable business space in downtown Spruce Pine and Bakersville. There is no formal local government incentives program to recruit new business, and no physical EDC or MCC presence in downtown Spruce Pine (i.e., EDC office or MCC Small Business Center location). The lack of full-time County Economic Development Director is also a challenge to attracting and supporting business.

Recommendations

Specific recommendations were identified to both recruit new business to Mitchell County and to support existing business. These include:

1. Recruit and continue to develop agricultural value-added businesses
2. Examine legal avenues to fill vacant buildings in Spruce Pine and Bakersville
3. Improve marketability of the available business space above Market on Oak in downtown Spruce Pine
4. Support Mayland Community College in its efforts to develop a campus in downtown Spruce Pine
5. Work with realtors to identify and develop available business space
6. Develop market studies for downtown real estate in Bakersville and Spruce Pine
7. Explore re-establishing a Municipal Service District in downtown Spruce Pine to fund infrastructure and other improvements downtown
8. Develop a formal local incentives program for new and existing business development
9. Increase exports - connect Mitchell County

4. Economic Development Foundations

companies interested in exporting their products with NC Commerce, the Economic Development Partnership of North Carolina, and US Department of Commerce

10. Develop an inventory of suitable properties for commercial development along NC 226 (from Spruce Pine to Bakersville, and from Spruce Pine to Blue Ridge Parkway)

Tourism

Assets

Natural Beauty

Mitchell County's striking setting in the Blue Ridge Mountains and direct access to the Blue Ridge Parkway draw numerous visitors annually. Its inherent beauty, physical environment, and accessibility present opportunities for the development of additional tourism-related businesses.

Existing Attractions and Events

In addition to the Blue Ridge Parkway, Mitchell County has a sound base of established attractions, events, festivals, and other activities for visitors, including, but not limited to, Roan Mountain, the Museum of North Carolina Minerals, Little Switzerland, the North Carolina Mineral and Gem Festival in Spruce Pine, and the Rhododendron Festival in Bakersville. Bakersville and Spruce Pine also have walkable downtown areas with retail shops, restaurants, recreational opportunities, and additional activities of interest to visitors.

Outdoor Recreation Opportunities

Mitchell County's abundant public lands and high quality water resources attract visitors interested in activities such as hiking, fishing, bicycling, and camping, among others. Map 12, for example, shows the extensive system of established recreational bicycling routes that exist in and near Mitchell County. Given the relatively small number of outdoor recreation businesses in the County, there may be opportunities for them to grow and for new ones to form.

Established, Well-known Arts and Crafts Community

The arts and crafts industry is an integral element in Mitchell County's tourism economy. The Penland School of Crafts is a destination in itself, drawing



people to its educational, residency and other programs. Despite the County's small population, it has a significant concentration of artists and craftspeople as well as numerous studios, galleries, and festivals that feature handcrafted works.

Occupancy Tax Revenue

The 3% occupancy tax that Mitchell County is authorized by state law to levy on overnight accommodations generated \$52,232 in revenue in Fiscal Year (FY) 2014 and \$50,832 in FY 2013. As required by the legislation, the County provides the net proceeds of the occupancy taxes it collects to the Chamber of Commerce. The Chamber's Travel and Tourism Committee guides the use of the funds, which must be spent to promote travel and tourism, to sponsor tourist-oriented events and activities, and to finance tourism-related capital projects.

Proximity to Asheville Market

As the US Highway 19E widening project is completed, Mitchell County will have easier and faster access to I-26. This will make Mitchell County more easily accessible to Asheville area residents and to people who have traveled to Asheville and other destinations in Western North Carolina.

Challenges

Limited Lodging Options

Mitchell County does not have a wide array of overnight accommodations located within the county; although some properties near the Blue Ridge Parkway straddle or are quite close to the county line. Among the offerings are some bed and breakfast inns; motels, inns, and lodges;

4. Economic Development Foundations



campgrounds; and home and cabin rentals. A few properties offer a wide range of guest services. The number of available rooms, particularly in the Towns of Bakersville and Spruce Pine, is limited and there are no chain motels or hotels in the County.

Limited Attractions

Mitchell County does not have another attraction that comes close to drawing the 200,000 or so Blue Ridge Parkway travelers that stop at the Visitor Center each year. There are very few “destination businesses” that visitors seek out, particularly on a regular or year-round basis.

Uncertainty Regarding Location of the NC Mineral and Gem Festival

In 2014 and 2015, the Chamber was challenged to find a building for the annual North Carolina Mineral and Gem Festival. The former festival site could not be used due to building safety concerns. The Chamber secured a former grocery store for the 2014 festival but its future availability was not guaranteed. Such uncertainty carried over into the planning for the 2015 event. The Chamber’s issues with finding a festival location highlighted Mitchell County’s lack of an adequately sized indoor facility that can be used for events.

Lack of a Uniform Brand/Marketing Identity

Mitchell County and its EDC, the Chamber of Commerce, Spruce Pine Main Street, the Town of Spruce Pine, the Town of Bakersville, the Toe River Arts Council, and many other organizations and businesses involved in economic development activities in the county, including tourism, have their own missions, identities, logos, projects, social media presences, signage, etc. Communication and coordination occurs across organizations and there are some combined marketing endeavors. However, Mitchell County has not had a brand or identity that

unifies its various economic development entities and efforts. The EDC recently completed a 2015 Strategic Marketing Plan which makes the development and deployment of such a brand a priority strategy.

Recommendations

1. Increase marketing for tourists, including efforts to re-capture visitors and attract second-home owners
2. Find a permanent location for the NC Mineral and Gem Festival that serves as a multi-purpose facility
3. Expand outdoor recreation opportunities, including hunting and fishing
4. Install wayfinding signage along US 19E directing visitors to downtown Spruce Pine, Little Switzerland, and Bakersville
5. Develop uniform sign appearance
6. Increase occupancy tax rate to 5%

Agriculture

Assets

Local Foods Promotion

Recent initiatives in Mitchell County have been implemented to assist local agricultural businesses. The Toe River Aggregation Center Training Organization Regional (TRACTOR) improves agricultural productivity in Mitchell and Yancey Counties by providing collective marketing, aggregation, storage, and washing. TRACTOR had approximately \$125,000 in sales in 2014, and currently sells local produce to 14 Ingles supermarkets.

Mayland Community College (MCC) constructed a Community Kitchen for use by local residents. The kitchen has commercial-grade equipment and can be used for education and food processing.

Both Bakersville and Spruce Pine have established farmers markets that have expanded in recent years due to advertising. Both farmers markets are operated by private organizations.

Education and Technical Assistance

Mitchell High School has an Agricultural Education Program that includes classroom/laboratory instruction, supervised work-based experience, and Future Farmers of America (FFA) activities. Courses are taught in agriscience, horticulture, and animal

4. Economic Development Foundations

science. MCC offers a Horticulture Technology curriculum. Course work includes plant science, plant materials, propagation, soils, fertilizers, and pest management. Also included are courses in plant production, landscaping, and the management and operation of horticulture businesses.

Technical assistance to farmers and agricultural businesses is available from the NC Cooperative Extension Service Mitchell County Center, and from the NC Department of Agriculture and Consumer Services.

Commodities

Mitchell County has a favorable climate and soils for Fraser fir Christmas tree production and wholesale prices have been increasing recently, according to NC Cooperative Extension Service staff.

The magnitude of forest coverage in the County (68%) represents an opportunity for expansion of forestry.

Farmland Protection Plan

The Mitchell County Soil and Water Conservation District contracted for development of a Farmland Protection Plan. The Plan was completed in June 2015. While the Plan notes declines in farm size, farm acreage, and economic activity from agriculture, it also notes the opportunity for niche markets and secondary values of keeping land in agricultural use. The Farmland Protection Plan makes recommendations in the following six categories:

- Promote farmland protection through present-use value (PUV) taxation
- Promote farmland protection through Voluntary Agricultural Districts
- Promote outreach and education on estate planning, conservation easements, and development planning
- Promote leases and other use agreements to bring farmland owned by non-farmers into productive use
- Support marketing and production training to support greater variety and profitability
- Support development of forestry management plans required for PUV tax assessments and to maximize revenues from the timber industry

Challenges

Lack of Local Markets

Mitchell County's small population results in a small local market for agricultural products. The lack of local processing facilities also results in low demand. The distance to larger metropolitan markets is another challenge to increasing local agricultural production.

Demographics

The aging of farmers and foresters is another challenge to the sustainability of the agricultural sector of Mitchell County's economy (average age of farmers is 58.7 years). The Mitchell County Schools and MCC programs described above are intended to bring new generations into the industry.

Recommendations

1. Support TRACTOR
2. Host an Agricultural Summit
3. Implement the Mitchell County Farmland Protection Plan
4. Recruit and continue to develop agricultural value-added businesses and markets for agricultural products
5. Establish continuing dialogue with NCSU, NCA&T, and other universities regarding research and development and identification of markets for agricultural products
6. Public education
 - Work with Cooperative Extension Service on frequent, continuing public education regarding market opportunities
 - Work with NC Forest Service, US Fish and Wildlife Service, and NC Department of Environmental Quality (NCDEQ) on frequent, continuing public education regarding resource protection
 - Target education to current Present Use Value property owners

4. Economic Development Foundations



Land Development

Assets

The development of property, whether for residential, agricultural, or commercial purposes, is a key indicator of economic activity. Based on comparisons of assessed tax values for surrounding counties, Mitchell County has relatively inexpensive land costs (see table, below).

Land Values for Comparison Counties

County	Valuation Year	Land Value/Acre (County tax value)
Avery	2015	\$15,742
Buncombe	2015	\$22,918
Burke	2014	\$12,262
Caldwell	2015	\$6,339
Haywood	2015	\$12,724
McDowell	2015	\$3,959
Mitchell	2015	\$6,456
Watauga	2015	\$16,011
Yancey	2015	\$8,239

Sources: Individual County Tax Records

Aside from the large tracts of federal land in the northern and southern portions of the County, most land is free of barriers to development (public ownership, conservation easements, water supply watersheds, etc.). Additionally, there are few regulatory barriers to new land development. The Planning Committee reviewed information on existing development, current economic development efforts, recent market trends, and physical infrastructure to identify areas where

future development is likely to occur. Existing development was analyzed using structure footprints and County parcel classifications.

Map 13 shows existing development.

Map 14 shows areas of anticipated future development.

Challenges

While the lack of zoning regulations can be viewed as an incentive to land development, the lack of local regulations regarding the appearance of properties (especially along highway corridors) can be a deterrent to new development. Lack of oversight of private infrastructure construction can also result in environmental degradation and properties that are difficult to market.

Specific challenges to new development include limited public water and sewer coverage; high land development cost due to topography; and access restrictions on US 19E west of Spruce Pine. When completed, the four-lane divided section of US 19E will be a partially-controlled access facility. Typically, partially-controlled access facilities do not allow new driveway or road connections beyond what exists at the time of project completion. New connections would have to be considered by NCDOT with a review process more detailed than the standard driveway permitting.

Recommendations

To encourage continued, suitable land development in Mitchell County, the following recommendations are made:

- 1. Adopt subdivision standards that increase public safety and protect property values**
- 2. Improve the appearance of highway corridors and County gateways**

The synergy of the local governments, the EDC, the Chamber, and the many other organizations and institutions involved in economic development in Mitchell County is one of the community's strengths. For a person or firm that has not previously had a business in the County, however, it may not always be easy to determine which entity does what and who to contact first. The EDC's recent completion of a marketing plan is a significant step toward developing a unified approach for promoting Mitchell County.

Mitchell County has had a part-time Economic Development Director position for several years.

5. Local Organization for Economic Development

Actively recruiting new industries while supporting existing industries, following-up on referrals, communicating with regional, state and federal officials, and performing many other functions to grow Mitchell County's economy is difficult to do on a part-time basis.

As Mitchell County continues its economic development efforts and begins to implement this *Mitchell Works Plan* and the EDC's 2015 Strategic Marketing Plan, these challenges may be magnified. The Planning Committee made the following recommendations for Mitchell County to further develop and formalize its economic development organizational structure and relationships so that it can be prepared to seek and manage the additional work and resources that will be required to reach its economic development goals.

Recommendations

1. **Establish a full-time Economic Development Director position**
2. **Create a single economic development port of entry for Mitchell County**
3. **Co-locate the Economic Development Commission and the Mitchell County Chamber of Commerce**
4. **Implement the Economic Development Commission's 2015 Strategic Marketing Plan**
5. **Foster Mitchell County's relationship with the Economic Development Partnership of North Carolina**
 - Take advantage of state incentives (JDIG, One NC Fund, etc.)

6. Conclusion

Mitchell Works: An Economic Development Strategic Plan for Mitchell County, NC provides guidance to the Mitchell County Economic Development Commission (EDC), the County and Town governments, and local, state, and federal partners on how to expand and improve the economy in Mitchell County. The *Mitchell Works Plan* was initiated by the Mitchell County EDC, and addresses economic development topics raised in both the 2013 Economic Development Forum for Western NC and the 2014 NC Jobs Plan. The *Mitchell Works Plan* makes a total of 48 recommendations. The Plan makes 43 specific recommendations under the following seven economic development foundations:

1. Workforce
2. Physical Infrastructure
3. Industry
4. Small Business
5. Tourism
6. Agriculture
7. Land Development



The *Mitchell Works Plan* also makes five specific recommendations regarding Local Organization for Economic Development.

The *Mitchell Works Plan* is intended to complement other recent local plans with economic development components, including:

- 2012 Spruce Pine Downtown Master Plan
- 2015 Mitchell County Strategic Marketing Plan
- 2015 Farmland Protection Plan for Mitchell County

Mitchell County's economic condition is typical of rural counties, both in NC and the US. Mitchell County's population is steady, but is experiencing growth in the older adult population and a decrease in the youth population. Income and educational

attainment in the County is similar to the rest of western NC, but lower than state and national averages. During the past decade the agricultural sector of the economy has declined in employment, number of farms, and output. Manufacturing employment has also declined, but still represents 6% of employment through well-established, niche industries. Mining and tourism continue to be significant sectors of the County's economy, taking advantage of unique mineral resources, natural beauty, and a tradition of arts and craft production. Also typical of rural counties, Mitchell County's laborshed is regional, with many workers commuting in and out of the County.

Mitchell County has many assets that currently support its economy, and that can be further utilized to advance economic development. The County's mineral resources have long been a source of income and jobs. The mining industry has historically recruited from outside the County to fill upper-level, supervisory positions, due in part to lack of local opportunities for post-secondary education in mining and geology. A potential threat to the industry is the development of a synthetic quartz product. While agricultural output in the County has declined, the County has a favorable climate, significant timber resources, and available farmland. The 2015 Farmland Protection Plan can serve as guidance for retention of the agricultural sector of the economy. Mitchell County's tourism economy has two primary assets – the Blue Ridge Parkway along the County's southern border, and the arts and crafts studios and galleries located throughout the County. Lack of other major attractions and lodging pose challenges to attracting tourists, and development of a permanent location for the annual NC Mineral and Gem Festival is a perennial need.

Physical infrastructure in the County is adequate to support existing and future commercial and industrial development, as is the workforce development system. Workforce development will be increasingly important as the working population declines and required skillsets increase. Workforce development efforts will need to include all aspects of career-readiness – soft skills, work ethic, basic skills, and technical training. It is anticipated that future workforce needs will exist in the healthcare, retail, food service, transportation, and manufacturing sectors of the economy.

Business recruitment efforts should concentrate on two areas – promotion of the Industrial Site (former Henredon Furniture property), and promotion of available incentives (including development of a local incentives program). Existing business support efforts should also include promotion of available incentives, as well as continual

6. Conclusion

outreach to businesses to gauge workforce needs, infrastructure needs, market conditions, and the real estate market.

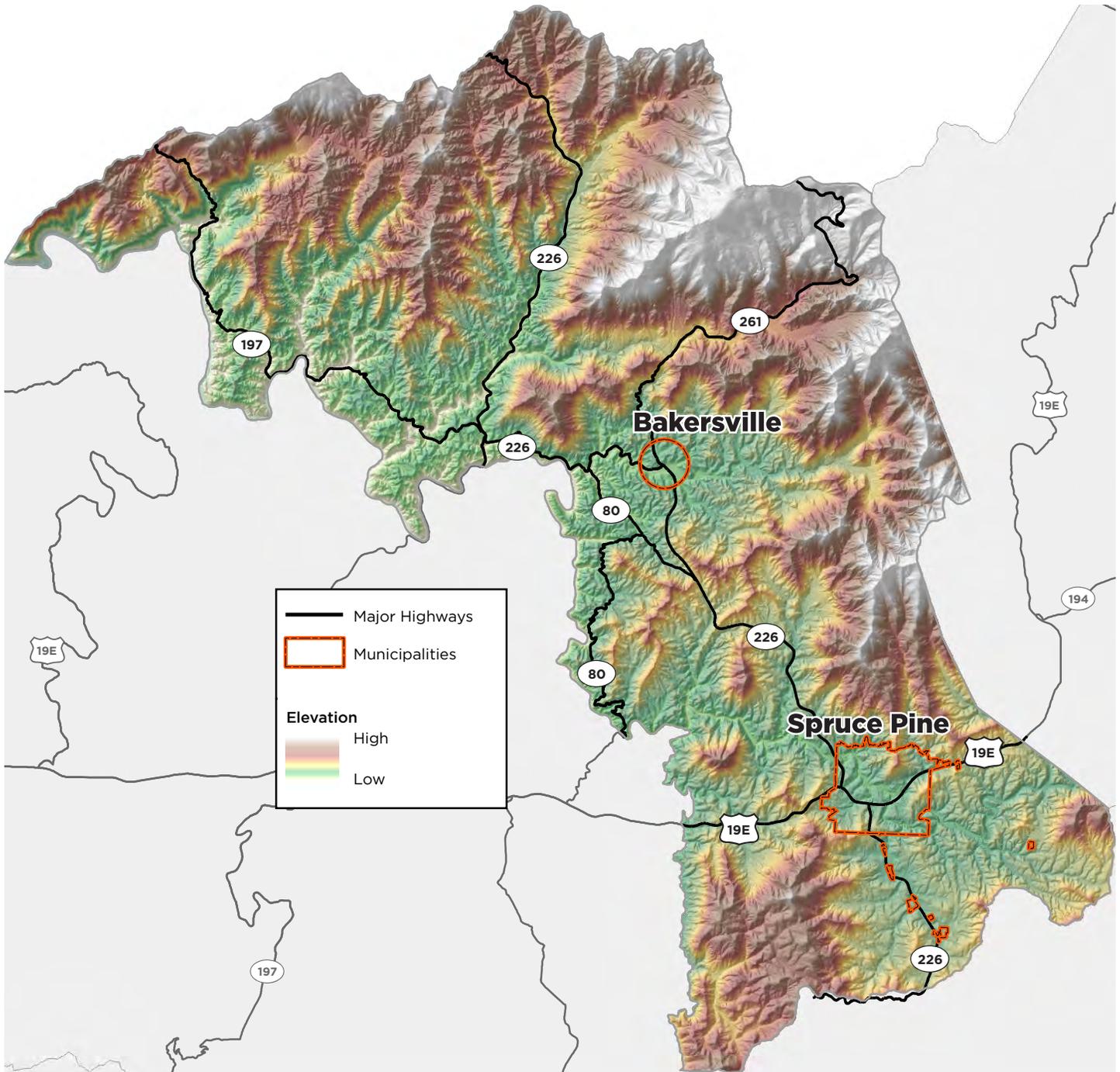
Economic development can be viewed as selling product. The 2015 Mitchell County Strategic Marketing Plan recommends creating an identity/brand with which to promote Mitchell County. A uniform marketing strategy should be developed to market Mitchell County's product, whether the product is the workforce, available sites/buildings, recreation opportunities, arts and crafts, timber, or quality of life.

Implementation of the *Mitchell Works Plan* will require commitment from the Mitchell County EDC. Establishment of a full-time Economic Development Director position is recommended to manage economic development in the County. The Mitchell County EDC will also need to prioritize the 48 recommendations in the *Mitchell Works Plan*, and coordinate involvement of appropriate local, state, and federal partners. Prioritization should consider human and financial resources available to implement each recommendation.



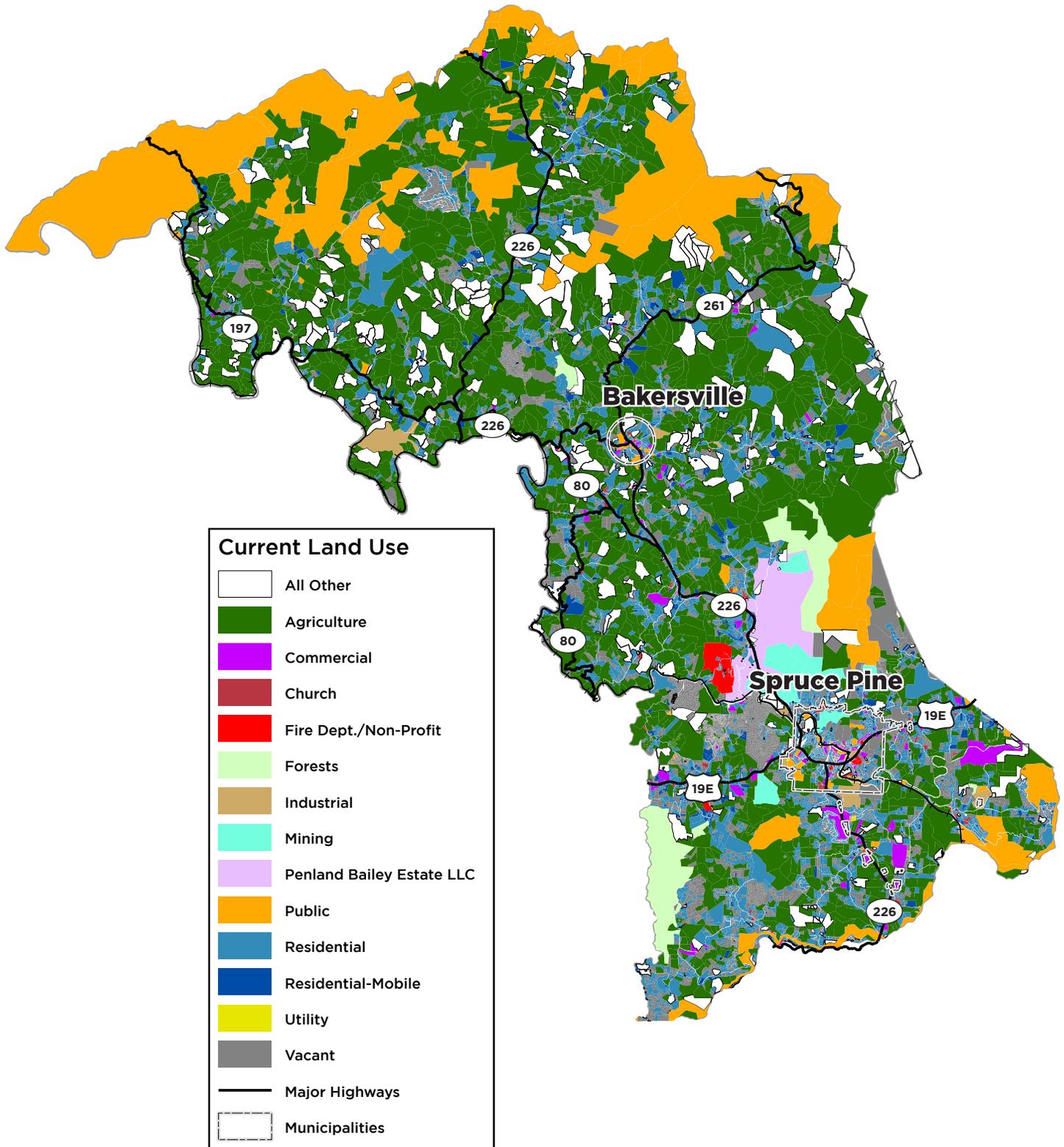
Map 1

Mitchell County Base Map



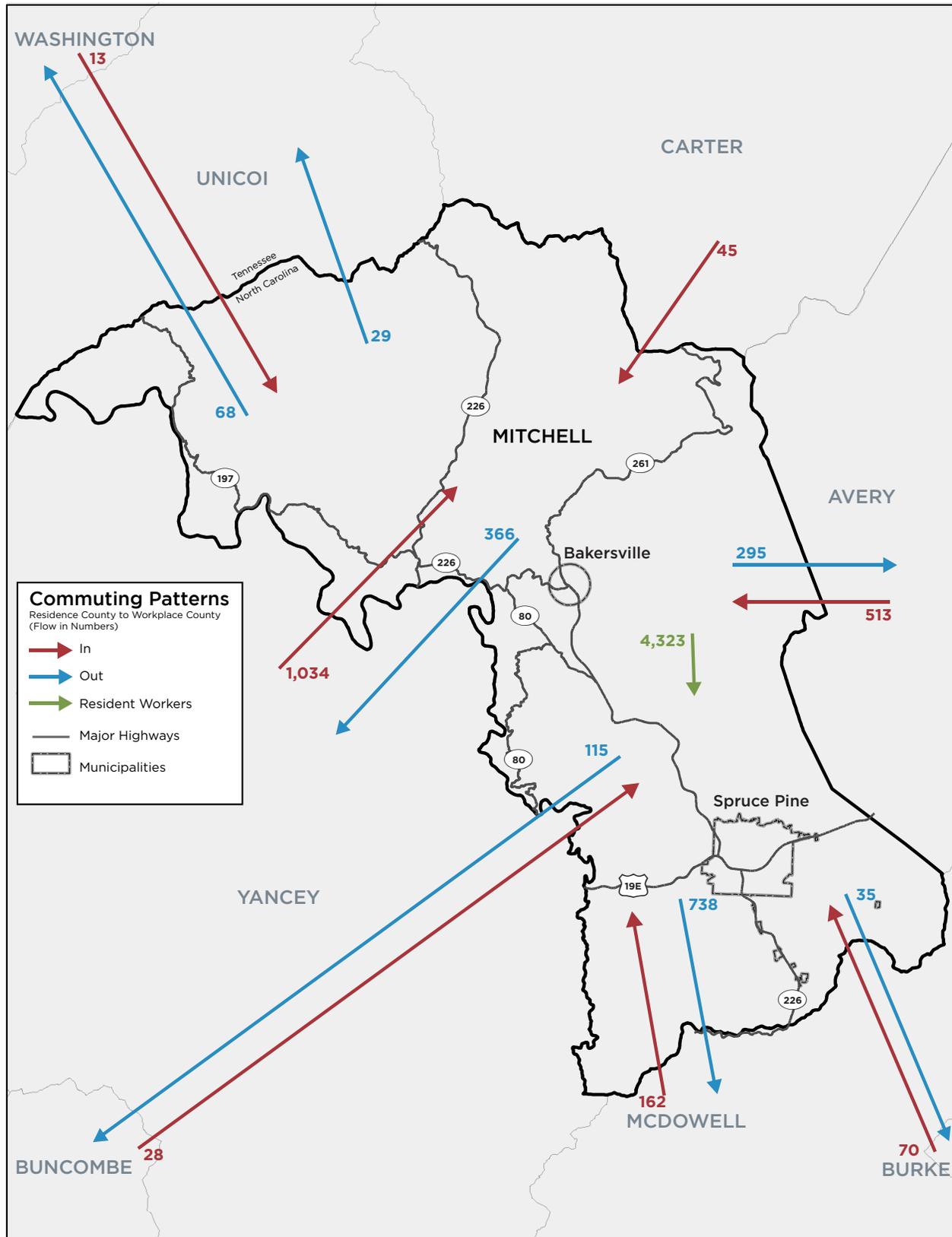
Map 2

Current Land Use



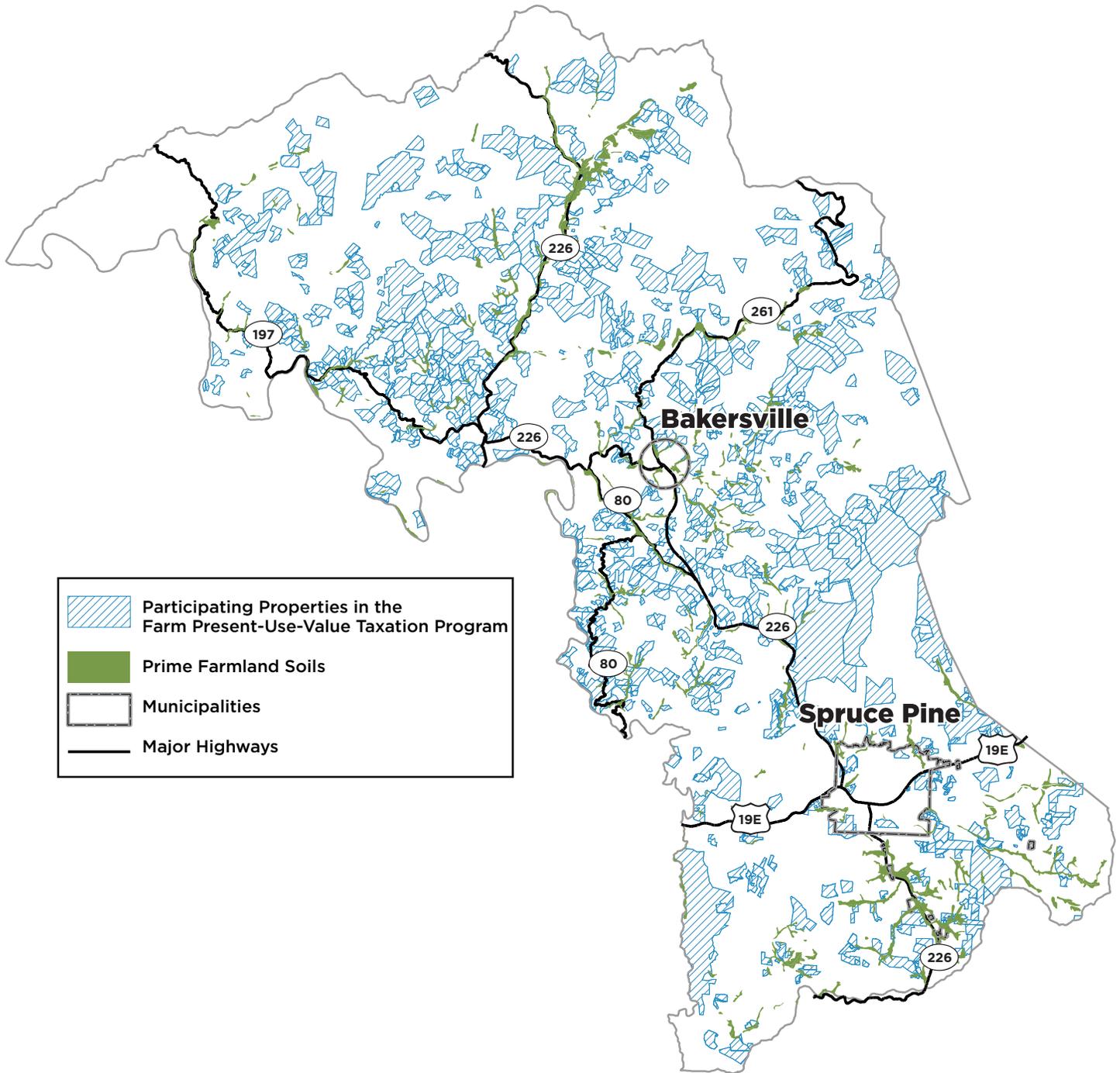
Map 3

Commuting Patterns



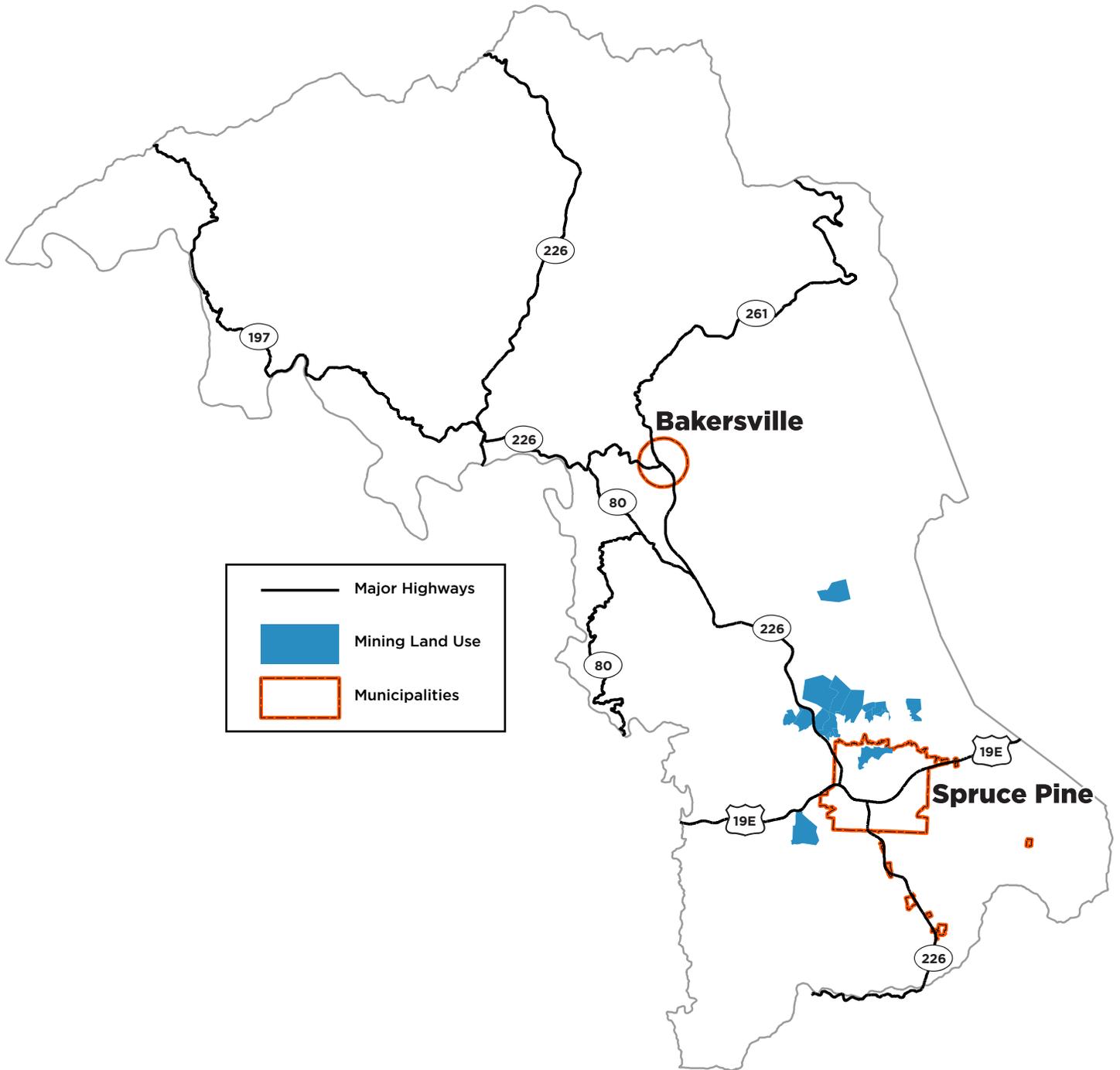
Map 4

Agriculture

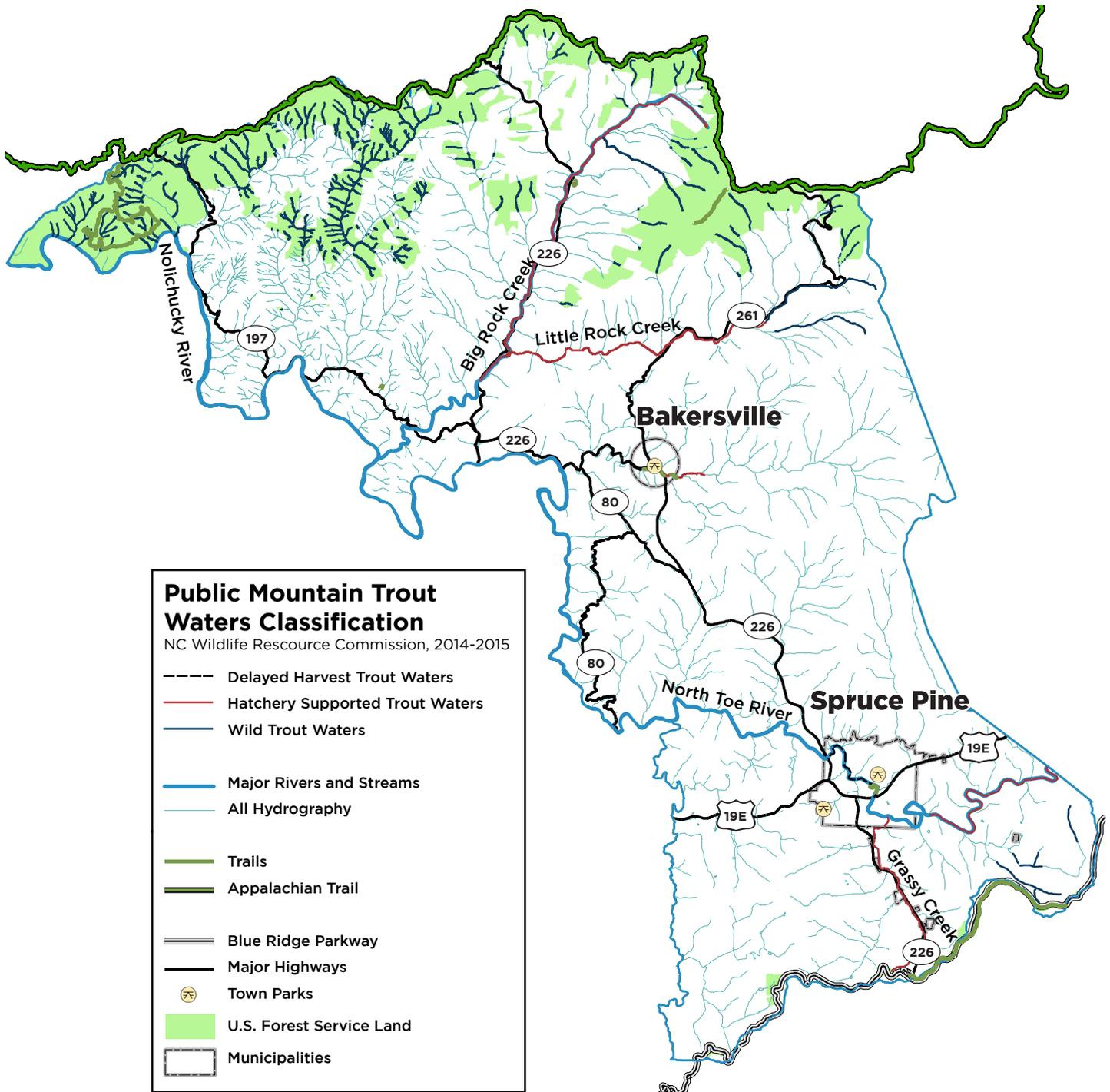


Map 5

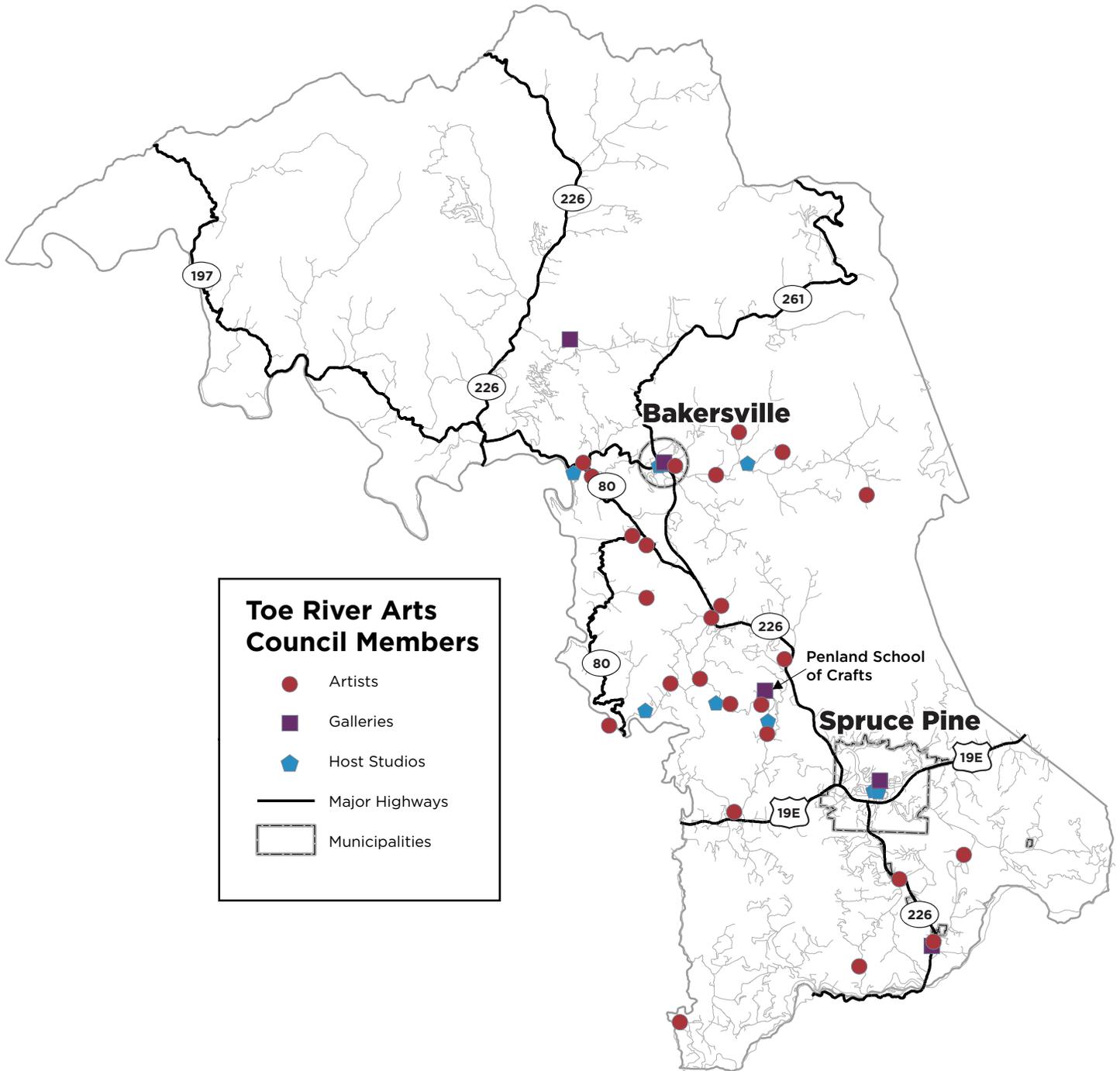
Mining Land Use



Outdoor Recreation

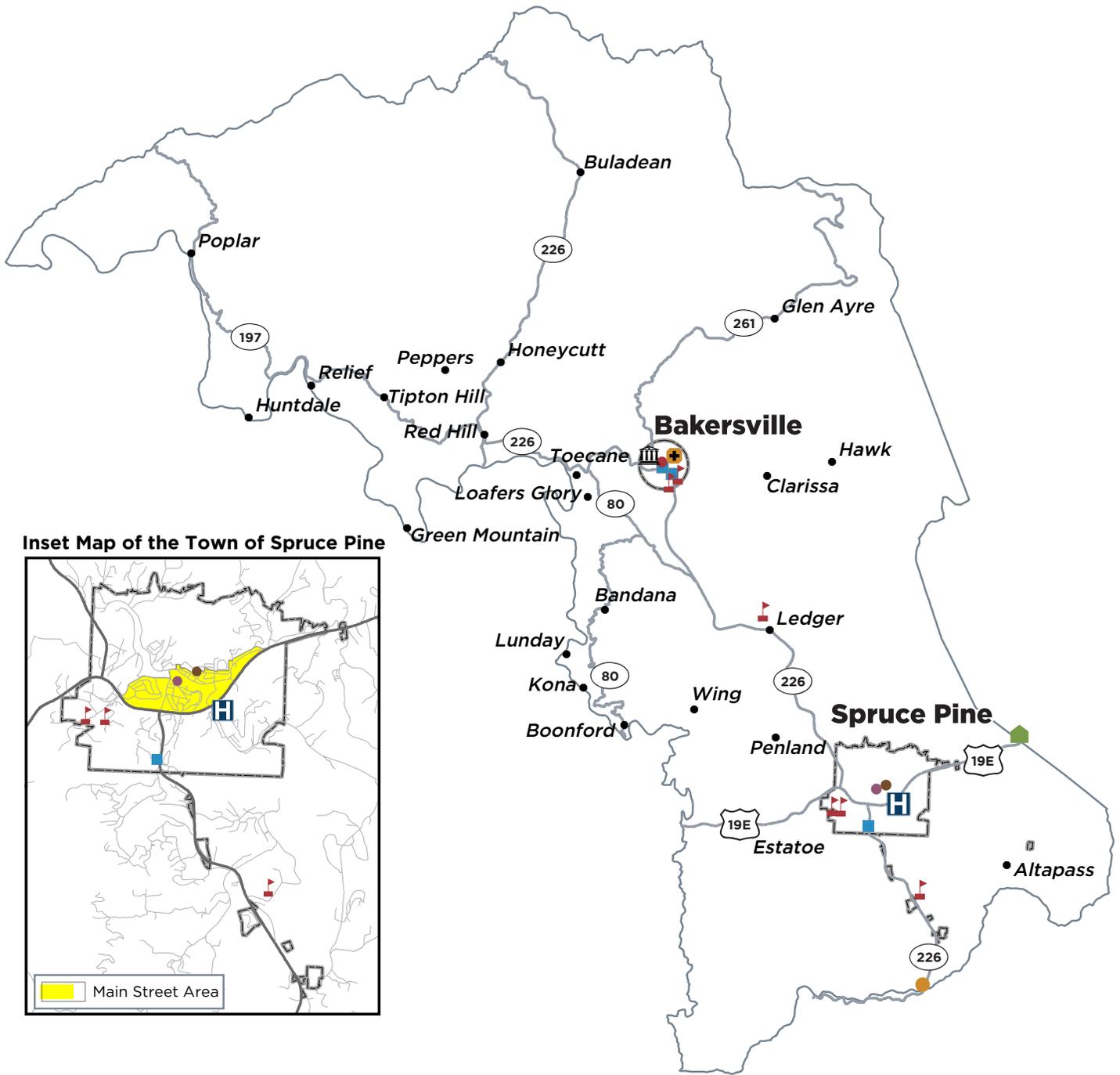


Toe River Arts Council



Map 8

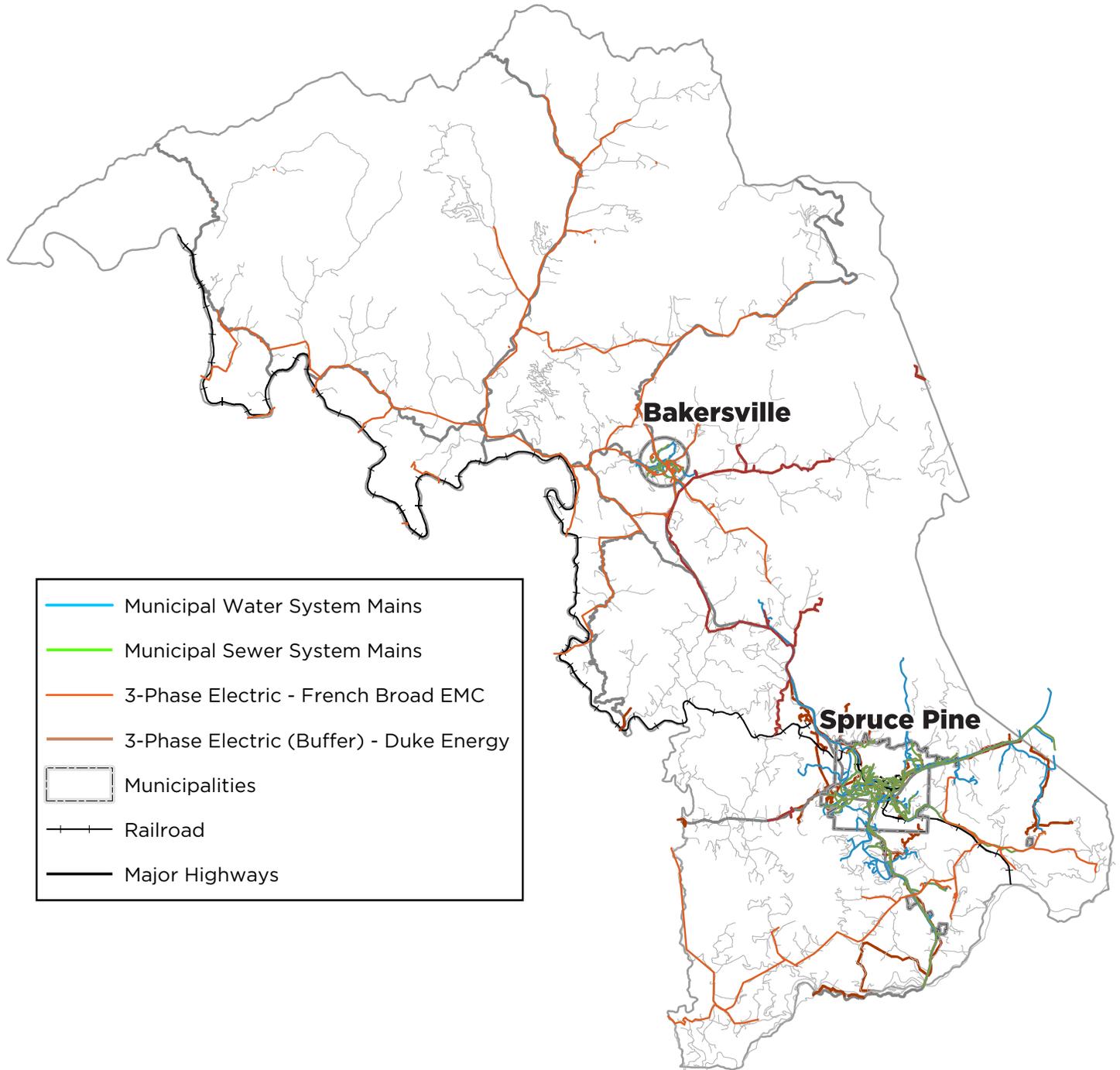
Civic Resources



Mayland Community College & NC Works Career Center	Major Highways	Town & County Administration	Bakersville Clinic	Chamber of Commerce
Communities	Cooperative Extension Office	Hospital	Mitchell County Courthouse	Chamber of Commerce Visitor's Center
Municipalities			Spruce Pine Main Street	Public Schools

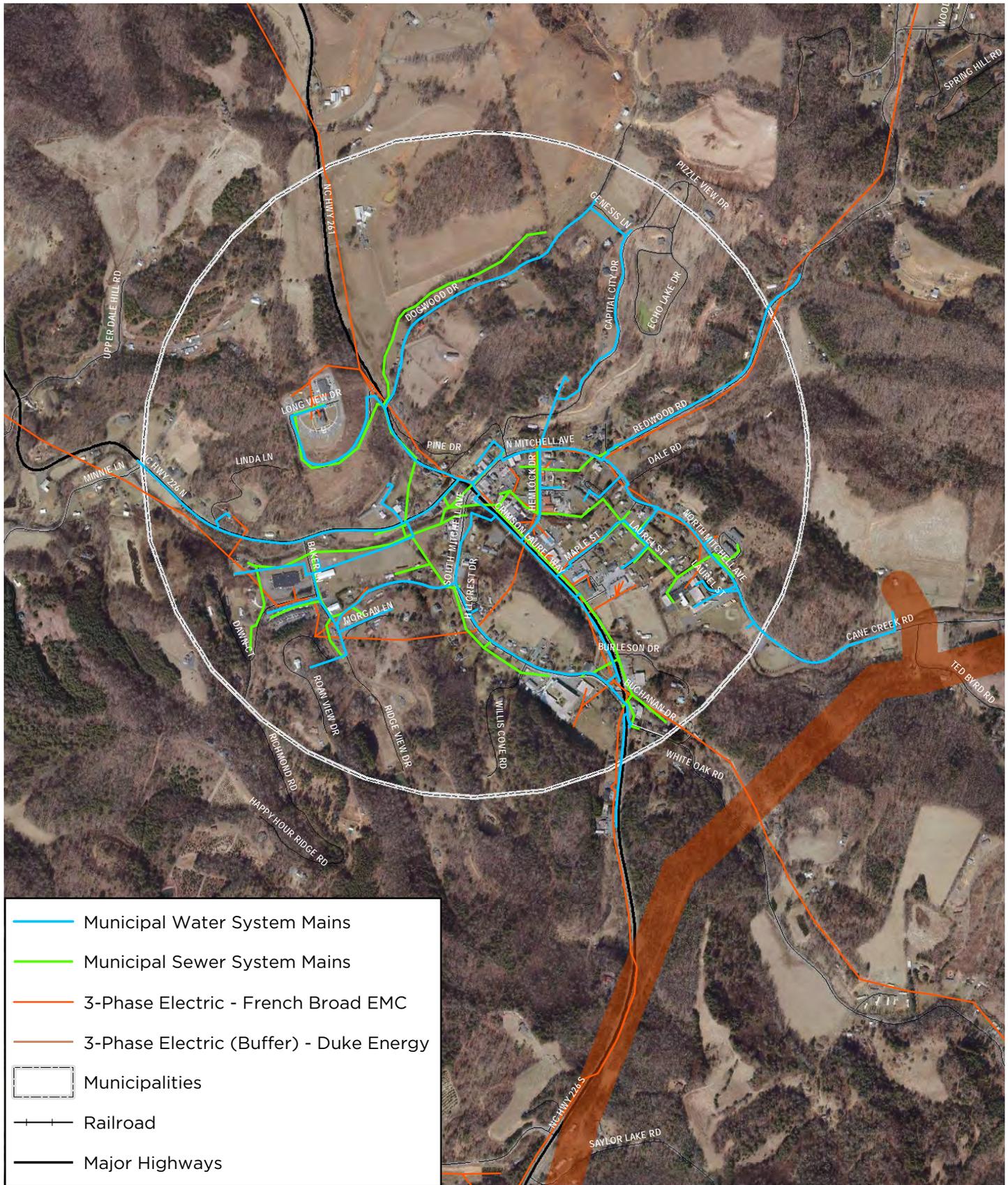
Map 9

Infrastructure

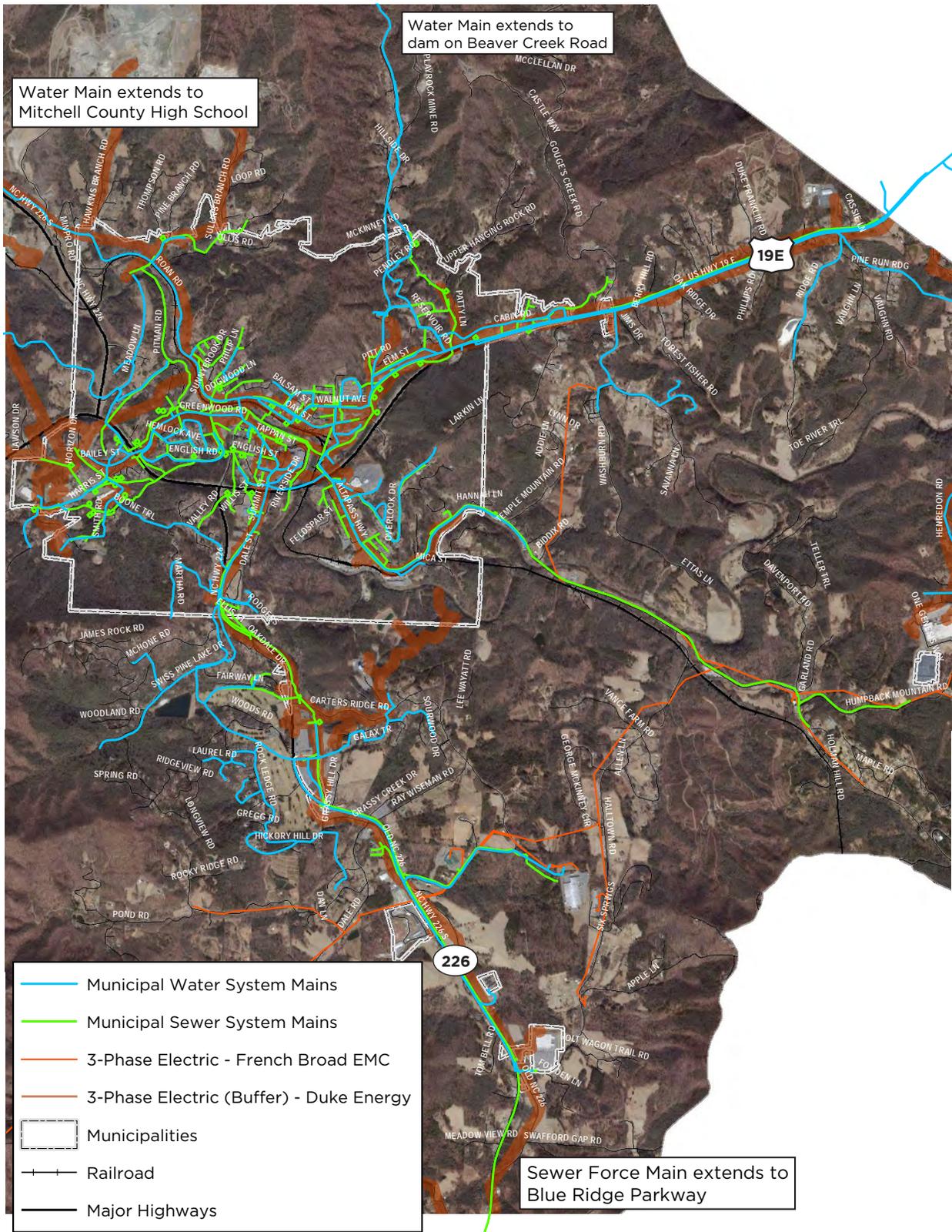


Map 10

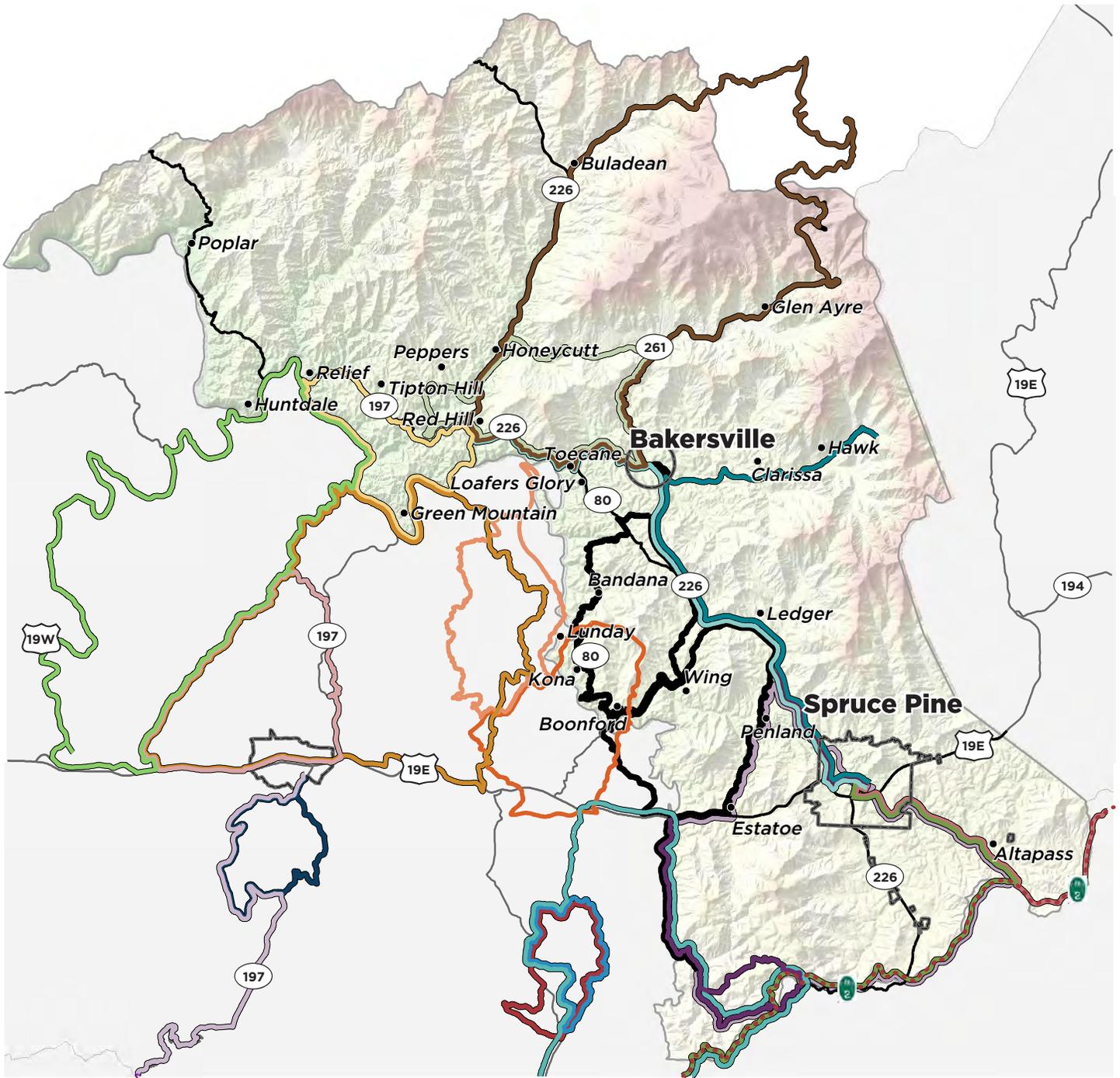
Town of Bakersville Infrastructure



Town of Spruce Pine Infrastructure

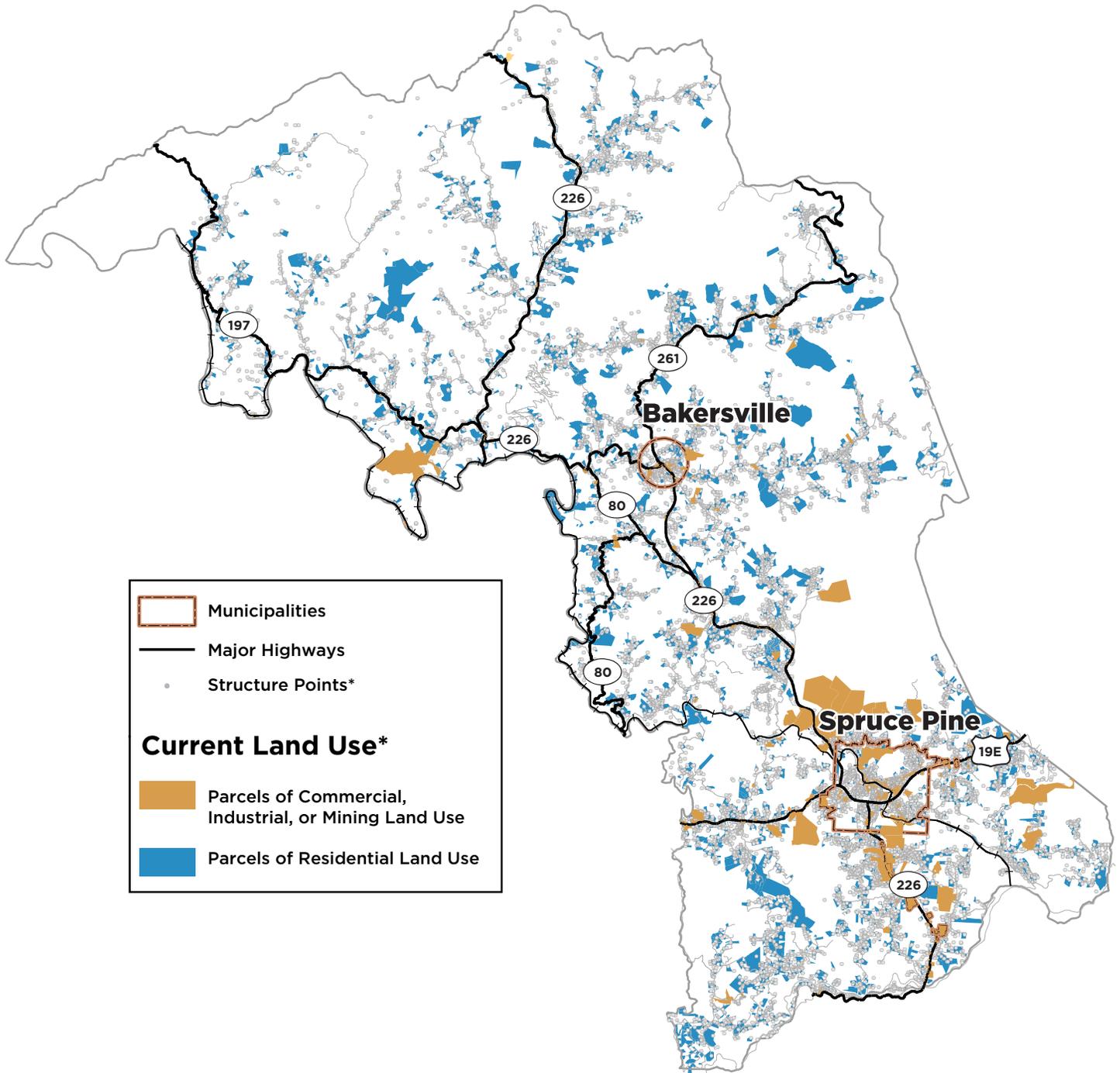


Cycling Routes



- | | | |
|---|---|--|
| <ul style="list-style-type: none"> — Spruce Pine-Penland Connector — Blue Ridge Parkway-Northern Route — Blue Ridge Parkway-Southern Route — Bakersville - Red Hill Ride — Penland Loop — Frankie and Charlie Silver Loop — Cane Creek Ride — Altapass Loop | <ul style="list-style-type: none"> — Harrel Hill — The River Ride Loop — Roan Mountain Loop via Hughes Gap — Long Celo Loop — Short Celo Loop — Crabtree Loop — Crabtree to McKinney Mine — Jack's Creek Loop | <ul style="list-style-type: none"> — Double Island Loop with Jack's Creek — Pensacola Short Loop — Pensacola to Cane River Gap Ride — Jack's Creek/Old Mine Fork Loop — NC Bike Route 2/Mountains to Sea — Major Highways — Municipalities — Communities |
|---|---|--|

Existing Development Patterns



Anticipated Growth Areas

