



Summary Document



MITCHELL COUNTY
ECONOMIC DEVELOPMENT COMMISSION

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



Executive Summary

This Summary Document is intended to provide an overview of *Mitchell Works: An Economic Development Strategic Plan for Mitchell County, NC (Mitchell Works Plan)*, and to highlight its recommendations. The complete Plan document is available from the Mitchell County EDC. In addition to the recommendations, the complete Plan document contains:

- Acknowledgements – listing of EDC members, Planning Committee members, technical assistance providers, and Plan adoption dates
- Project Background and Planning Process – information on project purpose and scope; project vision and goals; current economic setting for Mitchell County; stakeholder input; and process for development of recommendations
- Socioeconomic Data – data on population, income, workforce, education, tourism, and agriculture
- Assets/Challenges – detailed descriptions of the assets and challenges for each Economic Development Foundation
- Mapping – a series of 14 maps illustrating various data discussed in the Plan

The *Mitchell Works Plan* 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 Plan was developed under the guidance of a Planning Committee comprised of local leaders, state and local government staff, and business owners. Plan development included analysis of current economic data for Mitchell County, and interviews with local business owners, plant managers, and representatives of the arts/crafts and agriculture sectors.

The *Mitchell Works Plan* contains 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 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

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Mitchell County's economic condition is typical of rural counties, both in NC and the US. Mitchell County's population is static, 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 federal 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. The 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 – promoting 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 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.

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, each Economic Development Foundation section lists 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 Schools
- Mayland Community College (MCC)
- Market on Oak
- NCWorks Career Center

Challenges

- 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

1. Support the Pathways to Prosperity program (P2P)
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
5. Pursue NCWorks Certified Work Ready Community (WRC) designation for Mitchell County
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

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7. Develop an internship program between Mitchell High School and local businesses that incentivizes keeping graduating students in Mitchell County

Physical Infrastructure

Assets

- Water and sewer capacity
- Telecommunications availability
- Transportation access

Challenges

- Topography
- Utility needs
- Transportation funding

Recommendations

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

Industry (manufacturing, including mining)

Assets

- Capacity at existing manufacturing facilities
- Industrial Site (former Henredon Furniture property)
- Mineral resources
- Low regulatory and tax burden

Challenges

- Lack of sites for new industry
- Lack of available buildings
- Lack of formal incentives program to attract industry
- Location of suppliers/business services relative to Mitchell County
- Lack of qualified mining industry workforce

Recommendations

1. Recruit new industry to occupy the former Henredon Furniture property
 - Complete the NC Department of Commerce's (NC Commerce) 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

Small Business

Assets

- Downtown promotion organizations
- Low regulatory and tax burden

Challenges

- Absentee commercial property owners
- Lack of available business space in downtown Spruce Pine and Bakersville
- Lack of incentives to attract small businesses
- Lack of business support services in downtown Spruce Pine
- Lack of full-time County Economic Development Director

Recommendations

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. Connect Mitchell County 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)

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Tourism

Assets

- Natural beauty
- Existing attractions and events
- Outdoor recreation opportunities
- Established, well-known arts and crafts industry
- Occupancy tax revenue
- Proximity to Asheville market

Challenges

- Limited lodging options
- Limited attractions
- Lack of permanent venue for the NC Mineral and Gem Festival
- Lack of a uniform brand/marketing identity

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 (TRACTOR and farmers markets)
- Education and technical assistance
- Commodities
- Farmland Protection Plan

Challenges

- Lack of local markets
- Demographics (aging farmers)

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

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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

Land Development

Assets

- Inexpensive land
- Lack of regulatory barriers to new land development

Challenges

- Lack of local regulation regarding the appearance of properties
- Lack of oversight of private infrastructure construction
- Limited public water and sewer coverage
- High land development cost due to topography
- Access restrictions on US 19E west of Spruce Pine

Recommendations

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

Local Organization for Economic Development

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.)