

2016 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs)



High Country Council of Governments Economic Development District

DRAFT - July 14, 2016

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ABSTRACT

Title: 2016 Comprehensive Economic Development Strategy (CEDS)

Economic Development District: High Country Council of Governments

Member Local Governments:

Alleghany County	Town of Sparta
Ashe County	Town of Jefferson; Town of Lansing; Town of West Jefferson
Avery County	Town of Banner Elk; Town of Crossnore; Town of Elk Park; Town of Newland; Village of Sugar Mountain
Mitchell County	Town of Bakersville; Town of Spruce Pine
Watauga County	Town of Beech Mountain; Town of Blowing Rock; Town of Boone; Town of Seven Devils
Wilkes County	Town of North Wilkesboro; Town of Ronda; Town of Wilkesboro
Yancey County	Town of Burnsville

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Date: August 2016

Purpose: Pursuant to 13 CFR 303.6 and 303.7, High Country Council of Governments maintains a CEDS to address the economic development needs of the District.

Content: CEDS development process
Summary background data
SWOT analysis
Action plan
Implementation Plan
Evaluation framework

TABLE OF CONTENTS

1.	CEDS Development.....	4
	Introduction.....	4
	CEDS Strategy Committee.....	4
	CEDS Development Process.....	5
2.	Summary Background.....	7
	Data.....	7
	• Population trends.....	7
	• Population by Age.....	7
	• Urban/Rural Representation.....	7
	• Income and Poverty.....	7
	• Education.....	8
	• Employment and Wages.....	8
	• Unemployment Rates.....	9
	• Top Employers.....	10
	Regional Situation.....	11
	• Overview.....	11
	• Physical Infrastructure.....	12
	• Clusters.....	13
	• Relationship to Larger Region.....	14
3.	SWOT Analysis.....	15
4.	Action Plan.....	17
	Goals.....	17
	Economic Development Foundations.....	17
	1. Workforce.....	17
	2. Physical Infrastructure.....	18
	3. Tourism.....	21
	4. Industry.....	23
	5. Small Business and Entrepreneurship.....	24
	6. Agriculture.....	25
	Priorities.....	26
	Resiliency.....	27
5.	Implementation.....	29
6.	Evaluation	30

1. CEDS Development

INTRODUCTION

High Country Council of Governments (HCCOG) is one of sixteen multi-county planning districts in North Carolina. The North Carolina Department of Administration designated HCCOG as the Lead Regional Organization (LRO) for the seven counties of Alleghany, Ashe, Avery, Mitchell, Watauga, Wilkes, and Yancey in 1974.

High Country COG was designated an Economic Development District (EDD) by the Economic Development Administration (EDA) on March 23, 1976. The Council has also been designated a Local Development District (LDD) by the Appalachian Regional Commission (ARC). The purpose of the Economic Development District and the Local Development District designations is to provide the administrative capacity to establish a continuous economic development planning process which identifies problems and potentials, creates goals and strategies, and provide an implementation organization where necessary and feasible.

Other designations for HCCOG include Area Agency on Aging (AAA), administrator of the High Country Workforce Development Board, and Lead Planning Agency (LPA) for the High Country Rural Transportation Planning Organization (RPO).

The HCCOG Executive Board is the EDD's Governing Body.

CEDS Strategy Committee

The High Country Workforce Development Board (HCWDB) serves as the HCCOG CEDS Strategy Committee.

HCWDB members are:

PRIVATE SECTOR SEATS

Alleghany County

Dale Caveny, Manager, Blue Ridge Business Development Center
Vacancy

Ashe County

Laura Lambeth, Chief Executive Officer, Ashe Memorial Hospital
Kory Wilcox, Human Resource Manager, GE Aviation

Avery County

Justin Ray, President, Shady Lawn Lodge & Restaurant
Sallie Woodring, Volunteer Services Director, Appalachian Regional Health System

Mitchell County

Vacancy
Chris McCurry, Co-Owner, The Bark House at Highland Craftsmen, Inc.

Watauga County

Chris Edwards, Assistant General Manager/Human Resources Director, Chetola Resort at Blowing Rock
Vacancy

Wilkes County

Bob Hege, President, Meadows Mills, Inc.

Jason Carlton, Owner, GoWilkes.com

Yancey County

Bryan Peterson, Human Resources Manager, Altec Industries

Vacancy

PUBLIC SECTOR SEATS

Debbie Woodard, Dean, College Readiness, Wilkes Community College

Keith Deveraux, Apprenticeship Consultant, NCWorks Apprenticeship

Jane Blackburn, Director of Libraries, Appalachian Regional Library

Melissa Soto, Executive Director, WAMY Community Action, Inc.

Veronica Grantham, Regional Operations Director, NCWorks, Division of Workforce Solutions

Dan Little, President, Wilkes EDC

Stacy Sears, SEANC, Appalachian State University

Dr. Terry Rawls, Executive Director, Educational Outreach, Appalachian State University

Tom Hughes, Director, Watauga County Department of Social Services

Mike Birkmire, Manager, Vocational Rehabilitation Services

EX-OFFICIO MEMBERS

Sam Ray, Retired Business Owner

CEDS Development Process

HCCOG staff developed the 2016 CEDS. Various methods of gathering input were utilized. Below is a timeline of major meetings related to the CEDS development:

- July 15, 2015 – meeting with CEDS Strategy Committee to discuss 2016 CEDS purpose, process, and timeline
- August 17, 2015 - meeting with HCCOG Executive Board to discuss 2016 CEDS purpose, process, and timeline
- January 7, 2016 – meeting with CEDS Strategy Committee Executive Leadership to refine CEDS development process and content
- February 23, 2016 – Alleghany County Stakeholder meeting *
- February 24, 2016 – Ashe County Stakeholder meeting *
- February 25, 2016 – Avery County Stakeholder meeting *
- March 1, 2016 – Watauga County Stakeholder meeting *
- March 3, 2016 – Wilkes County Stakeholder meeting *
- March 8, 2016 – Mitchell County Stakeholder meeting *
- March 9, 2016 – Alleghany County Stakeholder meeting *
- April 14, 2016 – meeting with CEDS Strategy Committee. Topics included:
 - Report from County stakeholder meetings

- Regional socio-economic data
- SWOT Analysis
- Goals and Objectives
- Projects and Programs to be included in CEDS
- July 14, 2016 - meeting with CEDS Strategy Committee to review/refine draft CEDS document
- August 15, 2016 - meeting with HCCOG Executive Board to adopt 2016 CEDS

* County stakeholders included:

- Town and County Managers
- County Economic Development Commission Directors
- Chamber of Commerce Directors
- Tourism Development Authority Directors
- Electric Membership Cooperative staff
- NC State University Cooperative Extension Directors
- Community College staff
- USDA Rural Development staff
- Commercial lenders
- Appalachian State University staff
- Non-profit Directors
- Private business owners
- HCWDB (CEDS Strategy Committee) members

Other stakeholders consulted for input on the CEDS included:

- NC Department of Commerce Staff
- Economic Development Partnership of NC staff
- NC State University Industry Expansion Solutions staff

A draft 2016 CEDS document was distributed to stakeholders and made available to the public for comment on June 24, 2016.

Additionally, HCCOG staff reviewed existing County, Municipal, and Regional plans to gather input on the CEDS. Plans included Economic Development Plans, Comprehensive Transportation Plans, Farmland Preservation Plans, Downtown Master Plans, the High Country RPO's Priority Needs List, and the High Country Workforce Development Board's Strategic Plan.

HCCOG's ongoing project-level work with local governments also provides input on the CEDS.

2. Summary Background

Data

Population Trends

County	1990	2000	2010	2020	2030
Alleghany	9,604	10,674	11,145	11,460	12,068
Ashe	22,207	24,448	27,251	27,623	27,914
Avery	14,910	17,310	17,730	17,903	17,903
Mitchell	14,453	15,688	15,535	16,074	16,231
Watauga	37,017	42,774	50,981	55,264	59,168
Wilkes	59,462	65,775	69,231	70,586	71,758
Yancey	15,439	17,750	17,796	17,946	18,014
High Country Region	173,092	194,419	209,669	216,856	223,056

Sources: US Census; NC Office of State Budget and Management (OSBM)

Population by Age

Age Cohort	0-4	5-17	18-24	25-44	45-64	65+
2014 Population - High Country Region	9,128	28,514	27,733	45,595	57,603	41,528

Source: US Census

- 2014 NC Median age – 38.2 years
- Watauga – 31 years
- other HCCOG Counties – 44-49 years

Urban/Rural Representation

- 24.0% urban
- 76.0% rural

Income and Poverty

County	2014 MHI	2014 PCI	Poverty Rate
Alleghany County	\$35,266	\$32,540	20.5%
Ashe County	\$36,488	\$31,215	20.9%
Avery County	\$37,131	\$30,715	19.8%
Mitchell County	\$36,795	\$29,501	19.2%
Watauga County	\$41,942	\$30,998	26.2%

Wilkes County	\$33,398	\$30,988	23.4%
Yancey County	\$35,974	\$29,783	20.6%
North Carolina	\$46,556	\$40,656	17.1%
USA	\$53,657	\$28,889	14.8%

Source: US Census

Education

	High School Graduate	Bachelor's Degree or higher
High Country Region	80.3%	20.5%
North Carolina	86.4%	28.7%
USA	86.9%	30.1%

Source: US Department of Education

Employment Share and Wages, 2015, NAICS code

NAICS Sector	High Country Region	NC	Wage – High Country	Wage - NC
1011 – Natural Resources and Mining	2.6%	0.8%	\$34,788	\$38,177
1012 – Construction	4.6%	4.8%	\$42,484	\$53,329
1013 - Manufacturing	10.1%	11.5%	\$38,705	\$58,486
1021 – Trade, Transportation, Utilities	19.8%	21.0%	\$31,344	\$42,473
1022 - Information	0.9%	1.9%	\$42,058	\$74,622
1023 – Financial Activities	3.2%	5.4%	\$49,356	\$74,666
1024 - Professional Services	9.0%	15.1%	\$44,822	\$61,415
1025 – Education and Healthcare	26.9%	24.4%	\$41,615	\$48,946
1026 – Leisure and Hospitality	13.8%	11.6%	\$17,001	\$19,869
1027 – Other Services	2.6%	2.7%	\$24,683	\$33,583
1028 – Public Administration	6.4%	5.9%	\$36,624	\$48,569

Data Source: NC Department of Commerce

Employment Share and Wages, April 2016, SOC Classification

Occupation	High Country Region	NC	Average Earnings – High Country	Average Earnings – NC
Management	3.2%	4.4%	\$88,240	\$101,720
Business and Financial Operations	2.9%	4.7%	\$52,040	\$63,300
Computer and Math	1.4%	2.8%	\$74,540	\$79,840
Architecture and Engineering	0.6%	1.4%	\$52,580	\$69,830
Science	0.4%	0.8%	\$48,300	\$58,660
Social Service	1.4%	1.2%	\$38,400	\$41,890
Legal	0.6%	0.6%	\$60,800	\$57,080
Education	6.5%	6.3%	\$46,620	\$41,230
Arts and Entertainment	1.0%	1.0%	\$38,800	\$41,490
Healthcare Practitioners	4.4%	6.2%	\$61,180	\$57,260
Healthcare Support	3.4%	3.7%	\$23,720	\$23,110
Protective Services	2.6%	2.5%	\$30,540	\$32,360
Food Preparation	13.2%	9.7%	\$19,300	\$18,650
Building and Grounds Maintenance	3.7%	3.1%	\$23,400	\$21,740
Personal Care and Service	4.0%	2.4%	\$22,960	\$20,620
Sales	11.6%	10.8%	\$30,720	\$24,660
Office/Admin. Support	16.4%	15.1%	\$29,500	\$31,590
Farming, Forestry	0.7%	0.2%	\$36,920	\$24,390
Construction	3.0%	3.4%	\$36,040	\$34,780
Maintenance and Repair	3.8%	4.1%	\$37,700	\$40,750
Production	7.5%	8.3%	\$27,980	\$29,570
Transportation	7.7%	7.2%	\$28,300	\$27,740

Data Source: Bureau of Labor Statistics

Unemployment Rates

	April 2016	April 2015	April 2014	April 2013
High Country Region	4.9%	5.4%	6.0%	8.6%
North Carolina	5.0%	5.5%	5.9%	7.8%
USA	4.7%	5.1%	5.9%	7.1%

Top Employers

County	County Rank	Company/Institution
Alleghany		
	1	Alleghany Board of Education
	2	Bottomley Evergreen and Farms
	3	Parkdale Mills
Ashe		
	1	Ashe Board of Education
	2	American Emergency Vehicles
	3	Ashe County
Avery		
	1	NC Department of Public Safety
	2	Avery Board of Education
	3	Lees-McRae College
Mitchell		
	1	Mitchell Board of Education
	2	Blue Ridge Regional Hospital
	3	Mayland Community College
Watauga		
	1	Appalachian State University
	2	Appalachian Regional Healthcare System
	3	Watauga Board of Education
Wilkes		
	1	Tyson Farms, Inc.
	2	Lowes Companies, Inc.
	3	Wilkes Board of Education
Yancey		
	1	Yancey Board of Education
	2	Yancey County
	3	Ingles Market, Inc.

Regional Situation

Overview

Due to factors such as steep terrain, distance to Interstates, and the relatively small labor pool, the High Country District has historically trailed much of North Carolina in manufacturing. Over the past two decades the manufacturing sector of the district's economy has been in decline; however, technological innovations and specialized products have helped stabilize the manufacturing base. Government jobs account for approximately 15% of employment in the district, with healthcare, retail trade, and hospitality industries also providing large shares of employment.

Interest in expanding the local food economy continues to grow throughout the district, with potential for entrepreneurial development strong in the agricultural sector. Fine arts and crafts production occurs in the district, primarily in Yancey, Mitchell, and Ashe Counties.

All of the counties in the district have become tourist destinations for North Carolina and the Southeast, and tourism is a major component of the regional economy. Major tourist attractions include three ski resorts, Tweetsie Railroad, and the annual Merlefest music festival. Outdoor recreation opportunities exist in six State Parks, portions of Pisgah National Forest, and along the Blue Ridge Parkway. US forest Service and National Park Service lands total 177 square miles (7% of the district's land area).

Agriculture remains a major component of the district's economy, specifically Christmas Tree and livestock production. Valuable mineral resources are present in Mitchell County, including quartz, feldspar and mica.

The service industry plays a dominant role in the economy of the High Country Council of Governments district. Encompassing retail trade, health services, food service, lodging, business services, finance, and real estate, the service industry represents the largest employment sector in all seven counties. The tourism economies of all seven counties contribute significantly to the district's service economy. Appalachian State University, with an enrollment of 18,000, contributes to the service economy of Town of Boone, Watauga County, and (to a lesser degree) the district.

Physical Infrastructure

Water and Sewer Systems

System	Water Demand/Supply	Wastewater Treatment Demand/Capacity
Alleghany County		
Sparta	48%	46%
Ashe County		
Jefferson	2%	39%
Lansing	26%	20%
West Jefferson	31%	46%
Avery County		
Banner Elk	54%	38%
Crossnore	49%	27%
Elk Park	32%	43%
Linville Land Harbor	76%	69%
Newland	35%	28%
Sugar Mountain	21%	26%
Mitchell County		
Bakersville	50%	34%
Spruce Pine	26%	31%
Watauga County		
Appalachian State University	16%	0.5%
Beech Mountain	104%	10%
Blowing Rock	97%	35%
Boone	60%	49%
Seven Devils	25%	n/a
Wilkes County		
Blue Ridge Water Association	62%	n/a
Broadway Water Association	100%	n/a
Moravian Falls Water Works	52%	n/a
Mulberry Fairplains Water Association	34%	n/a
North Wilkesboro	18%	52%
Ronda	42%	discharge to Elkin
West Wilkes Water Association	45%	n/a
Wilkesboro	27%	77%
Yancey County		
Burnsville	41%	61%

Source: NC Department of Environmental Quality

Natural Gas

Natural gas service is provided by Piedmont Natural Gas in Avery, Mitchell, and Yancey Counties, and by Frontier Natural Gas in Ashe, Watauga, and Wilkes Counties. No natural gas service is available in

Alleghany County. Additionally, service does not extend to Town of Beech Mountain, Town of Elk Park, Town of Crossnore, Town of Seven Devils, Town of Blowing Rock, Town of Lansing, and Town of Ronda.

Electric

Electric service is provided in the district by different utilities, primarily electric cooperatives.

Telecommunications

Internet service is provided in the district by a large variety of companies and technologies. Fiber service has been enhanced in the district since 2010 with significant federally-funded middle-mile and last-mile projects. Current local initiatives involve extension of fiber service to unserved areas.

Transportation

The High Country district's transportation network is predominantly highway. No Interstate highways are located within the district, and Alleghany and Avery Counties have no four-lane highways. Commercial rail lines serve eastern Wilkes County, Mitchell County, and Yancey County, but serve primarily through-traffic. No commercial airports exist in the High Country district. Nearby commercial air service is located in Asheville, NC and Tri-Cities Airport in Tennessee. General aviation services are provided at four local airports in the district. Ashe, Avery, and Wilkes Counties operate and maintain county public airports, while Watauga has a private airport with few facilities.

Clusters

A cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

2012 data on both Industry Clusters (reflective of existing ***business presence***) and Occupation Clusters (reflective of existing ***workforce***) were examined to identify existing clusters in the High Country district. The data were assembled by a team of University and economic consultants, sponsored by EDA.

Industry Clusters in the High Country include:

- Arts, Entertainment, Recreation & Visitor Industries
- Forest and Wood Products
- Agribusiness, Food Processing & Technology
- Chemicals & Chemical Based Products

Additionally, the following three industries have relatively high concentrations in the district, but relatively low numbers of existing businesses in the industry:

- Electrical Equipment, Appliance, and Component Manufacturing
- Mining
- Glass and Ceramics

Occupation Clusters in the High Country include:

- Forest and Wood Products
- Apparel and Textiles
- Agribusiness, Food Processing & Technology
- Chemicals & Chemical Based Products

The following industries have relatively high concentrations of skilled workers, but relatively low total workforce:

- Electrical Equipment, Appliance, and Component Manufacturing
- Mining
- Glass and Ceramics

The identified clusters reflect the High Country district's established tourism and agriculture sectors, and suggest potential for increased development in the mining and electrical equipment/appliance sectors. Given the relatively low numbers of businesses and workers in the district and the date of data collection, more detailed analysis is required to evaluate actual potential for industry recruitment.

Relationship to Larger Region

The High Country district is located between several metropolitan statistical areas (MSA) in NC and TN. While there is significant daily commuter within and outside the district, there is not a dependency upon any MSA. Neighboring MSAs (Asheville, NC, Hickory, NC, Winston-Salem, NC, Charlotte, NC, and Johnson City/Bristol, TN) provide specialized healthcare services, specialized retail, and job opportunities for High Country residents, but do not serve as employment centers or labor pools for the High Country district. Also, neighboring MSAs are not close enough to spin off supply-chain businesses in the High Country district.

However, the High Country district is located close enough to a large population to serve as a tourist destination. This tourism includes day-trips, weekend trips, and second home residency. The five neighboring MSAs listed above have a total population of 4.4 million.

3. Strengths, Weaknesses, Opportunities, Threats

SWOT ANALYSIS

- Strengths
 - Natural beauty
 - Blue Ridge Parkway, State Parks
 - Quality of life
 - Community colleges
 - Local schools
 - Fiber infrastructure
 - Local hospitals
 - Low taxes, wages, electricity
 - Water and sewer capacity
 - Local collaboration

- Weaknesses
 - Low education/skill levels
 - Lack of **access** to recreation
 - Lack of housing choices
 - Lack of industrial sites
 - Lack of capital
 - Limited number of tourist destinations
 - Aging population – impacts workforce and social services
 - Lack of lodging facilities
 - Access to interstate
 - Drug problem
 - High poverty rate

- Opportunities
 - Value-added agricultural products
 - Main street designations
 - Sparta
 - North Wilkesboro
 - Boone
 - Spruce Pine
 - Wilkesboro
 - Burnsville
 - West Jefferson
 - Market high-speed internet
 - Expand 2nd home industry
 - Increase number of outdoor recreation visitors
 - Maximize occupancy tax

- Threats
 - Loss of hospitals
 - Drop in cattle, Christmas tree prices
 - Continued loss of young talent
 - Loss of tourists to Asheville
 - Continued drug problem
 - Decrease in State and Federal funding
 - Concentration of employment in few sectors

4. ACTION PLAN

Goals

1. Connect employers to a skilled workforce
2. Maintain and improve the district's infrastructure to meet future demand
3. Increase tourist visitation to the district
4. Increase industrial and commercial activity in the district
5. Expand entrepreneurial activity in the district
6. Increase agricultural output

Economic Development Foundations

1. Workforce

The High Country Workforce Development Board (HCWDB) is the designated entity in the district for delivery of workforce services funded through the US Department of Labor's Workforce Innovation and Opportunity Act (WIOA). WIOA-funded activities are provided through three-year contracts. Current contractors are Mayland Community College (MCC) and Wilkes Community College (WCC). All three Community Colleges in the district (MCC, WCC, and Caldwell Community College and Technical Institute) provide customized industry training and continuing education. Other partners in workforce development in the High Country district include the County School Systems, Appalachian State University, and Lees-McRae College.

The following workforce initiatives planned or underway in the district support the CEDS goals:

- Extension of Mayland Community College (MCC) offerings in the former Banner Elk Elementary School, including continuing education programs
- MCC's acquisition of the former Pinebridge property in Town of Spruce Pine
- MCC's development of an Agricultural Sciences Program (2017)
- MCC's renovations at the Avery County campus
- MCC's expanded training programs through ARC POWER grant
- Expansion of Wilkes Community College (WCC) Ashe Campus, to enable Early College High School
- Expansion of WCC Career & College Promise programs at Alleghany High School
- WCC's reorganization and expansion of its Workforce Development and Community Development program, which includes soft skills training
- Appalachian State University's (ASU) Health Sciences Building construction
- ASU Innovation Center
- Wilkes Community College (WCC) expansion of Health Sciences Program
- Wilkes County Schools' Project ADMIT (advanced manufacturing technology)

- Lees-McCrae College’s expansion of its MAY School of Nursing (RN) program

Workforce Strategies:

- 1-A Establish formal, paid work-based learning programs (OJT, internships, apprenticeships) at the County High Schools and Community Colleges in the district
- 1-B Develop programs to expose County School System students, teachers, and guidance counselors to local business and industry (company visits, job fairs, presentations at schools, etc.)
- 1-C Achieve Work Ready Community designation for all Counties
- 1-D Establish committees within each County meet with County School System administrators to help guide curriculum and program development
- 1-E Establish business-to-business exchange networks/events
- 1-F Increase dual-enrollment programs at County High Schools
- 1-G Develop or expand STEM-education programs at County High Schools
- 1-H Apply for inclusion of ASU in EDA’s University Center program - for purpose of commercialization, product development, technology transfer, and research
- 1-I Expand treatment for substance abuse and developmental disabilities
- 1-J Expand Associates Degree and Certification offerings at MCC, WCC, and Caldwell Community College and Technical Institute

2. Physical Infrastructure

Public water and sewer systems are regulated by the NC Department of Environmental Quality (NC DEQ). County Health Departments regulate private well and wastewater disposal systems. Electric, natural gas, and telecommunications service is customer-demand driven. Transportation planning in the High Country district is coordinated by the High Country Rural Planning Organization (RPO), a collaboration of local governments and the NC Department of Transportation.

The High Country RPO’s current Transportation Priorities are included in the following table:

2017 - 2027 STIP High Country Rural Planning Organization Priority Needs List

SCORE	COUNTY	PROJECT	DESCRIPTION	RANK
89	Watauga	H090921-B (R-2566B)	NC 105 - From SR 1136 (Clarks Creek Rd.) to SR 1107 (105 Bypass)	1
82	Avery	H090921-A (R-2566A)	NC 105 - From US 221 to SR 1136 (Clarks Creek Rd.)	2
78	Watauga	H090163-B (R-2615)	US 321/421 - From US 321/421 Junction in Vilas to Proposed Boone Bypass (U-2703)	3

75	Town of Boone	H150298	SR 1522 (Deerfield Rd.) - From State Farm Rd. to SR 1523 Wilson Ridge Rd.	4
72	Mitchell	H090504	NC 226 - From Blue Ridge Parkway to SR 1274 (Summit Ave.)	5
70	Ashe	H090308	NC 88 - From NC 88 to NC 194	6
61.16	Ashe	A130275	Expanded Phase I, II, III Terminal Apron Design/Construction	7
59.36	Ashe	T130097	Expansion Vehicle	8
59.16	Watauga	T130093	Expansion Vehicle	9
59	Avery	H090169 (R-2811)	NC 184 - From NC 105 to SR 1342 (Hickory Nut Gap Rd.)	10
59	Alleghany	H090715	US 21 - From SR 1100 (Oklahoma Rd.) to SR 1900 (Old Railroad Grade Rd.)	10
57	Mitchell	H090110-A (R-2520A)	US 19E - East of Spruce Pine to SR 1106 (Mullin Hill Rd.)	12
55	Wilkes	H090048 (R-0616)	Wilkesboro/North Wilkesboro Bypass - From NC 18 to US 421	13
54	Ashe	H150358	US 221 Business/NC 194/SR 1248 (Beaver Creek School Rd.) Intersection	14
53	Watauga	H111016	SR 1107 (105 Bypass) - From NC 105 to US 421/321/Nc194	15
50	Wilkes	H090646	SR 1001 (Oakwoods Rd.) - From US 421 to NC 268 (East Main St.)	16
50	Wilkes	H140226	NC 115 - From US 421 to 2nd St.	16
49.36	Avery	A130272	New Terminal Building	18
44	Yancey	H090645	US 19W - From US 19E to Tennessee State Line	19
44	Alleghany	H141040	US 221/NC 113 Intersection	19
44	Wilkes	H150294	NC 16 - From US 421 to SR 1317 (Pleasant Home Church Rd.)	19
39	Wilkes	H090193	New Route - From US 421 to NC 268	22
38	Ashe	H150440	NC 194 - From US 221 Business (2nd St.) to NC 88	23
28.22	Wilkes	A130280	North Hanger Development - Phase I,II, & III T-Hanger Paving & Building	24
19	Wilkes	H150281	SR 1002 (Traphill Rd.)/SR 1713 (Yellowbanks Rd.) Intersection	25

In addition to the 25 priority projects listed above, the following transportation projects have been identified as supporting the CEDS goals and economic development at the local and/or regional level:

- Streetscape improvements to Main Street in Sparta
- Streetscape improvements to 2nd Street, Main Street, and Back Street in West Jefferson
- Improvements to US 221 from Linville Falls to Linville in Avery County

- Paving of Buckeye Creek Road in Town of Beech Mountain
- Improvements to NC 226 in McDowell County
- Improvements to NC 194 from Howards Creek Road to Castle Ford Road in Watauga County
- NC 105 improvements in Town of Boone
- Construction of US 421 Bypass (Boone Bypass)
- Completion of Middle Fork Greenway in Watauga County
- Construction of new road through the Wilkes Industrial Park
- Improvements to NC 80 in Yancey County
- Improvements to the Micaville Loop in Yancey County
- Paving of NC 197 in Buncombe County

The following physical infrastructure initiatives planned or underway in the district support the CEDS goals:

- Water intake on W. Kerr Scott reservoir to serve the Towns of Wilkesboro and North Wilkesboro
- Water intake on New River to serve the Town of Boone
- Improvements to the water intake on New River serving Town of Sparta
- Construction of additional public parking in downtown West Jefferson
- Extension of water and sewer service from Town of Burnsville to the Micaville Community
- Water and sewer system improvements in Town of Spruce Pine to serve existing and future industry in the Altapass Community
- New well and water system improvements in Town of Bakersville
- Water service extension from Town of Ronda along NC 268

Physical Infrastructure Strategies

- 2-A Implement Town of Sparta Streetscape Project
- 2-B Maintain and upgrade aging water and sewer infrastructure to ensure compliance with State regulations, protection of water supplies, and adequate service to support existing and future users
- 2-C Improve public transportation opportunities within and between towns
- 2-D Improve cell service in underserved areas throughout district
- 2-E Develop additional water supply for Towns of Boone, Blowing Rock, Beech Mountain, Banner Elk, and Wilkes County Water Associations
- 2-F Extend fiber telecommunications service to unserved areas
- 2-G Connect the Towns of Bakersville and Spruce Pine’s water system for emergency supply
- 2-H Connect the Towns of Burnsville and Spruce Pine’s water system to facilitate commercial development along US 19E
- 2-I Construct additional water storage capacity at Wilkes Industrial Park

- 2-J Extend public water service to the Roaring River Community to serve Louisiana-Pacific, Certaineed, and Tyson Feed Mill
- 2-K Conduct feasibility studies to gauge demand for natural gas service in unserved areas
- 2-L Establish Wi-Fi networks in all downtowns
- 2-M Conduct study on availability of broadband to all marketed business buildings and sites
- 2-N Include installation of fiber conduit in all road, water, or sewer projects where road crossings occur - to facilitate future fiber extensions
- 2-O Market the availability of fiber infrastructure in all economic development promotion materials
- 2-P construct warehouse and freight transfer facilities along rail lines (Roaring River in Wilkes County, Spruce Pine in Mitchell County)

3. Tourism

Tourism promotion in the High Country is currently conducted primarily by local Chambers of Commerce and Tourism Development Authorities (TDAs). TDAs are typically the fiscal agents responsible for expenditure of local occupancy tax revenues.

The table below provides the most recent data from NC Department of Commerce on economic impact of tourism.

County	Economic impact of tourism, 2014	Jobs from tourism, 2014	Statewide Rank (expenditures)
Alleghany	\$23.2m	180	80
Ashe	\$50.1m	380	57
Avery	\$110.6m	1,220	39
Mitchell	\$22.0m	160	82
Watauga	\$225.8m	2,570	19
Wilkes	\$70.0m	520	50
Yancey	\$34.5m	240	69

Source: NC Commerce

Analysis of tourism impact data from 2014 to 1990 indicates that the impact of tourism (expenditures, jobs, payroll, and tax receipts) has steadily increased for all seven counties except for brief declines in 2008-09 and 2001-02. Most Counties have experienced tourism growth between 200% and 300% over the 24-year period.

Tourism Strategies

- 3-A Create a regional brand/marketing strategy to promote the High Country district to visitors
 - Focus on outdoor recreation and the arts and crafts industry
 - Include uniform Visitor Center appearance for High Country Host and all local Chambers of Commerce

- Include uniform welcome sign appearance
- 3-B Promote fishing, canoeing, kayaking, and tubing by development of maps indicating points of river access and parking
- 3-C Develop additional outdoor recreation infrastructure (trails, river access points, parking, restrooms)
- 3-D Promote the district as a second-home destination in the North Carolina and Florida markets
- 3-E Support second-home development by doing the following:
 - Support local hospitals to help ensure their viability
 - Adopt subdivision regulations that ensure safe, sanitary, and orderly second-home community development
 - Maintain attractive community appearance, especially along major thoroughfares
- 3-F Promote the district’s cycling resources, both mountain biking and road cycling
- 3-G Support organized runs, bike rides, and other events by providing traffic control, aid stations, participant transportation, etc.
- 3-H Promote the district for film, television advertisement, and print advertisement production
- 3-I Recruit outlet mall
- 3-J Develop regional tourism promotion plan that:
 - Considers marketing, infrastructure, and collaboration among local governments
 - Increases availability of tourism packages
 - Identifies weekday tourism attractions
 - Promotes the district as a wedding destination
 - Promotes agri-tourism, including the choose-and-cut Christmas tree industry, apple orchards, and vineyards
 - Emphasizes the established arts and crafts studios/galleries in the High Country district
- 3-K Support Mayland Community College’s Dark Sky Observatory project
- 3-L Promote the district’s arts and crafts industry by commissioning artwork placed in public road and street rights-of-way and other public property
- 3-M Implement recommendations from the 2008 High Country COG Regional Trail Plan (approved by NC Division of Parks and Recreation), and the 2014 High Country COG Regional Bike Plan (approved by NCDOT)
- 3-N Renovate the Daniel Boone Park/Horn in the West Outdoor Drama facility in Town of Boone
- 3-O Work to include Mitchell County and Yancey County in High Country Host
- 3-P Improve cell service in underserved areas throughout the district
- 3-Q Establish Wi-Fi networks in all downtowns

- 3-R Maximize occupancy tax in all jurisdictions
- 3-S Use the recently-approved Connect NC Bond projects as way to promote State Parks in the High Country district
- 3-T Develop formal parking area and restrooms in the Roseboro Community
- 3-U Develop multi-day music event the weekend before Merlefest

4. Industry

Industrial recruitment is currently a function of the individual Counties, typically the County Economic Development Commissions (EDC). The County EDCs also are the lead entities on small business recruitment, business/industry retention efforts, and business/industry expansion projects. With the creation of the Economic Development Partnership of North Carolina (EDPNC), there is now a Regional Industry Manager serving all seven High Country Counties. The EDPNC Regional Industry Manager works with companies to facilitate recruitment and expansion, and is the point of contact for State incentives.

Industry Strategies

- 4-A Develop Regional Industrial/Business Park along US 421 in the Deep Gap Community
- 4-B Develop Regional Industrial/Business Park along US 19E in the Micaville Community
- 4-C Develop and maintain an ArcGIS Online web application detailing available industrial/business sites and buildings
- 4-D Develop Regional Business and Industry Support Network to engage local businesses
 - Members to include EDC, Chamber of Commerce, Local Government, Community College, HCWDB
 - Purpose is to bring all resources together, and efficiently engage business
- 4-E Identify Brownfield sites and develop plans to assess, remediate, and market them for redevelopment
- 4-F Improve appearance, access, and infrastructure at existing marketed industrial/business sites
- 4-G Develop local regulations to address condition and appearance of vacant commercial/industrial properties
- 4-H Increase exports by holding regional workshops that connect High Country companies with the NC Department of Commerce, the EDPNC, and US Commercial Service export-assistance staff
- 4-I Create/maintain full-time Economic Developer positions in all seven High Country Counties
- 4-J Convene meeting of local EDC Directors and NCSU Industry Expansion Solutions (IES) staff to introduce local economic developers to IES services, including the Minerals Research Laboratory, Lean Healthcare, Advanced Manufacturing, Lean Manufacturing, etc.

5. Small Business and Entrepreneurship

Currently, small business services are provided in the High Country district by Appalachian State University (ASU), Wilkes Community College (WCC), Mayland Community College (MCC), and Caldwell Community College and Technical Institute (CCC&TI). All three Community Colleges operate Small Business Centers, which support the development of new businesses and the growth of existing businesses by providing training, counseling, and referrals for other services. Additionally, Watauga County operates the Appalachian Enterprise Center which provides leasable office space and access to professional services, and the Small Business and Technology Development Center (SBTDC) which provides direct counseling, planning, and financial management assistance to businesses.

Local Chambers of Commerce promote their member businesses, and provide networking and educational events.

Financial assistance to High Country businesses is provided by local banks, the MAY Coalition (serving Avery, Mitchell, and Yancey Counties), and Mountain BizWorks (a CDFI located in Asheville).

Small Business and Entrepreneurship Strategies

- 5-A Increase access to capital for small business through promotion of the MAY Coalition and Mountain BizWorks
- 5-B Use the Region D Development Corporation as the fiscal agent for raising funds and providing financial assistance to local businesses
- 5-C Establish Angel Investor Network to raise money for entrepreneurs in the High Country district
- 5-D Promote the district's excellent broadband coverage to attract new business
- 5-E Host a regional meeting of NC Main Street Program staff and the seven designated Main Street municipalities in the district
- 5-F Develop Regional Business and Industry Support Network to engage local businesses
 - Members to include EDC, Chamber of Commerce, Local Government, Community College, HCWDB
 - Purpose is to bring all resources together, and efficiently engage business
- 5-G Develop a Solutions Center at the new MCC facility in Town of Spruce Pine that provides entrepreneurs with equipment to develop/test new product
- 5-H Connect entrepreneurs with planning support offered by Ascent Business Network
- 5-I Expand offerings from ASU's Center for Entrepreneurship (currently limited to students and alumni)
- 5-J Develop/maintain inventories of available commercial real estate in downtowns
- 5-K Encourage commercial development in downtowns through:
 - Update of development regulations to accommodate greater density
 - Maintenance of adequate infrastructure capacity

- Establishment of fixed-route transit service
- Provision of financial incentives

5-L Implement the Town of Wilkesboro Downtown Master Plan as a model showing relationship between economic and community development

6. Agriculture

The table below provides the most recent county-level data from USDA on agricultural activity.

County	Farms, 2012	Land in Farms (acres)	Value of Ag. Products sold, 2012
Alleghany	567	90,926	\$36.3m
Ashe	1,140	112,462	\$54.5m
Avery	483	28,224	\$17.2m
Mitchell	286	19,322	\$2.5m
Watauga	609	55,765	\$15.3m
Wilkes	972	111,118	\$284.9m
Yancey	450	31,002	\$5.7m

The major commodities are fairly consistent across the district – cattle, cut Christmas trees, ornamentals, and silage. Wilkes County is also a major producer of poultry.

The western region of NC (including all seven High Country Counties) does not harvest timber at rates comparable to other parts of the State. The table below details harvest rates (in million green tons).

	NC	Mountains	Piedmont	Northern Coastal Plain	Southern Coastal Plain
Growth	49.2	9.61	15.2	11.2	13.2
Harvest	33.7	3.47	10.7	10.1	9.45
Growth/Harvest	1.46	2.77	1.42	1.12	1.4

Sources: NC Forest Service, USDA Forest Service, 2012

The High Country district has relatively low economic impact from forestry (total effects of all forest products and wood-based industry sectors), as detailed in the following table.

2012 Impact	NC	Alleghany	Ashe	Avery	Mitchell	Watauga	Wilkes	Yancey
Output (\$m)	\$21,700	\$14.7	\$41.5	\$10.3	\$3.7	\$37.1	\$242.3	\$17.5
Labor income (\$m)	\$5,525	\$2.6	\$11.4	\$3.0	\$0.7	\$9.1	\$68.0	\$5.5
Employment	103,000	96	349	83	25	258	1,472	135

Sources: NC Forest Service, USDA Forest Service

Agriculture Strategies

- 6-A Collect and maintain current data on agricultural production, employment, payroll, and processing for the High Country district
- 6-B Expand Farmers Markets (hours, facilities, parking, etc.) in the district
- 6-C Ensure adequate seasonal housing supply for agricultural workers
- 6-D Support Mayland Community College's effort to develop agricultural program
- 6-E Develop market study to determine feasibility of value-added agricultural product manufacturing in High Country district
- 6-F Promote WNC Farmlink (wncfarmlink.org) to match aspiring farmers to fallow or underutilized land
- 6-G Recruit meat processing business to the southern part of the High Country district
- 6-H Promote Community Supported Agriculture (CSA) operations in the High Country district
- 6-I Support new and existing agricultural product aggregation, transportation, and brokering operations in the High Country district, including larger facility for TRACTOR in Yancey County
- 6-J Develop and maintain Food Councils in all seven Counties in the district
- 6-K Develop public education campaign to encourage property owners to manage woodland for timber production

Priorities

1. Create a regional brand/marketing strategy to promote the High Country district

Brand should be consistent along all aspects of economic development, reflected in NC Works Centers, tourism promotion materials, Chambers of Commerce materials, EDC websites, and roadside signage. Brand/marketing strategy should emphasize health and wellness opportunities in the district (outdoor recreation opportunities, local wellness centers, local foods initiatives, farmers markets, substance abuse programs, greenways, parks, spas, physical therapy practices, etc.) to spread the concept of health as it relates to the workforce, community, and economy.

2. Leverage exceptional assets of the High country district – through marketing, and development of supply-chain/support businesses

- Blue Ridge Parkway
- Arts and Crafts Industry
- Music Events
- Mayland Community College's Dark Sky Observatory

- Outdoor Recreation Resources
 - Mining Resources
 - Christmas Tree Industry
- 3. Increase capital availability to private business**
- Promote and support Community Development Financial Institution (CDFI) lending (MAY Coalition and Mountain BizWorks), State and local incentives, State and Federal grants, and Angel Investor Networks
- 4. Expand agricultural output through:**
- Increased timber management and harvesting
 - Diversification of commodities
 - Recruitment of processing facilities (i.e., slaughterhouse, cannery)
- 5. Expand outdoor recreation infrastructure, specifically;**
- Completion of Middle Fork Greenway
 - Parking, restrooms in Roseboro Community bordering Pisgah National Forest
 - River access points, including parking and restrooms
 - Additional paved shoulders on roadways to accommodate cyclists
- 6. Increase stock of available, marketed industrial/business sites**
- Focus on Regional Sites
- Vicinity of US 421/US 221 intersection (Deep Gap Community)
 - Along US 19E between Spruce Pine and Burnsville
- 7. Expand Appalachian State University's role in regional economic development**
- Apply for inclusion of ASU in EDA's University Center program
 - Expand offerings from ASU's Center for Entrepreneurship
- 8. Develop CEDS Implementation Committee**

Resiliency

Resilience Strategies

1. Invest in downtowns to support commercial base
2. Diversify agricultural commodities
3. Increase timber management
4. Maintain viability of local hospitals

5. Utilize On-Bill Financing programs to conduct energy-efficiency improvements to individual homes to lower and stabilize energy costs, and improve housing stock
6. Develop/maintain development regulations that ensure safe and sanitary residential development, and environmental protection
7. Develop Regional Business and Industry Support Network to engage local businesses regularly
8. Increase Associates Degree and Certifications offerings at Community Colleges
9. Expand water supply and wastewater treatment capacity of systems where average use exceeds 50% of permitted capacity

5. IMPLEMENTATION

The CEDS contains a total of 70 recommended strategies within six Economic Development Foundation areas. While the CEDS provides eight Priorities, the Priorities are broad, long-term, and regional. Achievement of the Priorities will come through many individual projects and efforts. It is recommended that a CEDS Implementation Committee be formed to regularly discuss projects, share information, and work toward regional economic development initiatives. The composition of the CEDS Implementation Committee should be:

- The seven County Economic Development Commission Directors
- The Economic Development Partnership of North Carolina's Northwest Regional Industry Manager
- Mayland Community College President
- Wilkes Community College President
- Caldwell Community College Watauga Campus Director
- Appalachian State University designee

The CEDS Implementation Committee will review strategies and identify schedules, lead entities, and funding mechanisms for individual initiatives.

The CEDS will be used as support for project funding applications where applicable.

6. EVALUATION

The CEDS will be evaluated annually, during preparation of the CEDS Annual Performance Report (APR). APRs will be reviewed by the CEDS Strategy Committee (the High Country Workforce Development Board), and approved by the High Country Council of Governments Executive Board. The CEDS will be available for review and comment permanently on the High Country Council of Governments website. APR development will consider comments received during the year.

Performance Measures

- Announced job creation
- Announced private-sector investment
- Increases in average household wages and income
- Number of new businesses
- Federal, state, and local investment in the district
- Educational attainment
- Work Ready Community designations
- Number of self-employed
- Retail sales
- Tourism revenue
- Agricultural impact
- Number of CEDS strategies advanced or accomplished