

2022 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs)



High Country Council of Governments Economic Development District

Prepared for: US Economic Development Administration

Prepared by: High Country Council of Governments

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ABSTRACT

Title: 2022 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: November 2022

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
Resources for economic development
SWOT analysis
Action plan
Implementation plan
Evaluation framework

TABLE OF CONTENTS

1.	CEDS Development.....	5
	Introduction.....	5
	CEDS Strategy Committee.....	5
	CEDS Development Process.....	6
2.	Summary Background.....	8
	Data.....	8
	• Population Trends.....	8
	• Median Age.....	9
	• Urban/Rural Representation.....	9
	• Income and Poverty.....	9
	• Education.....	9
	• Employment and Wages.....	11
	• Top Employers.....	12
	• Unemployment Rates.....	13
	• Effects of COVID-19 and Recovery.....	13
	• Health.....	14
	• Housing.....	15
	• Outdoor Recreation.....	16
	Regional Situation.....	17
	• Overview.....	17
	• Physical Infrastructure.....	18
	• Clusters.....	20
	• Relationship to Larger Region.....	21
	• Impacts of COVID-19 pandemic.....	21
3.	Resources for Economic Development.....	23
4.	SWOT Analysis.....	25
5.	Action Plan.....	27
	Goals.....	27
	Economic Development Foundations.....	27
	1. Workforce.....	27
	2. Physical Infrastructure.....	29
	3. Tourism.....	34
	4. Industry.....	36
	5. Small Business and Entrepreneurship.....	38
	6. Agriculture.....	39
	Priorities.....	43
	Resiliency.....	45

6.	Implementation.....	46
7.	Evaluation	47

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:

Jeff Dreyer (CHAIR), American Emergency Vehicles (AEV)

Edward Hinson (VICE-CHAIR), SkyLine/SkyBest

Jill Austin, Jill's Hairport

Jessica Auten, Courtyard by Marriott

Stacey Barker, Carolina Farm Credit

Cathy Barr, Ashe County Economic Development

Michael Birkmire, NC Vocational Rehabilitation Services

Whitney Brasington, Mountain Electronics

Tara Brossa, Hampton Inn & Suites

Sherry Carpenter, Goodwill Industries of Northwest NC

Felicia Culbreath-Setzer, NC Department of Commerce

Ben Garrett, Dreamwalls/Gardner Glass Products, Inc.

Jason Nunn, Wilkes County Fraternal Order of Police

Lynette Orbovich, State Employees Association of NC

Scott Reece, The Quartz Corporation

Jennifer Shaffer, Appalachian State University
Curtis Taylor, BRP
Rich Voisinet, Interflex Group
Amber Westall Briggs, Avery-Mitchell-Yancey Library System
Debbie Woodard, Wilkes Community College

CEDS Development Process

HCCOG staff developed the 2022 CEDS. Various methods of gathering input were utilized. Below is a timeline of major meetings/tasks related to the CEDS development:

- September 10, 2020 – initial meeting with CEDS Strategy Committee to discuss 2022 CEDS purpose, process, and timeline
- October 18, 2021 - meeting with HCCOG Executive Board to discuss 2022 CEDS purpose, process, and timeline
- October/November 2021 – distribution of Economic Development Survey to stakeholders in the district
- July 14, 2022 – meeting with CEDS Strategy Committee to refine CEDS development process and content
- July 12, 2022 – Mitchell County Stakeholder meeting *
- July 19, 2022 – Ashe County Stakeholder meeting *
- July 20, 2022 – Avery County Stakeholder meeting *
- August 2, 2022 – Watauga County Stakeholder meeting *
- August 3, 2022 – Yancey County Stakeholder meeting *
- August 4, 2022 – Alleghany County Stakeholder meeting *
- August 9, 2022 – Wilkes County Stakeholder meeting *
- November 10, 2022 - meeting with CEDS Strategy Committee to review/refine draft CEDS document
- November 21, 2022 - meeting with HCCOG Executive Board to adopt 2022 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
- UDSA 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
- Economic Development Partnership of NC
- NC State University Industry Expansion Solutions
- NC Broadband Infrastructure Office

A draft 2022 CEDS document was distributed to stakeholders and made available to the public for comment on October 20, 2022

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.

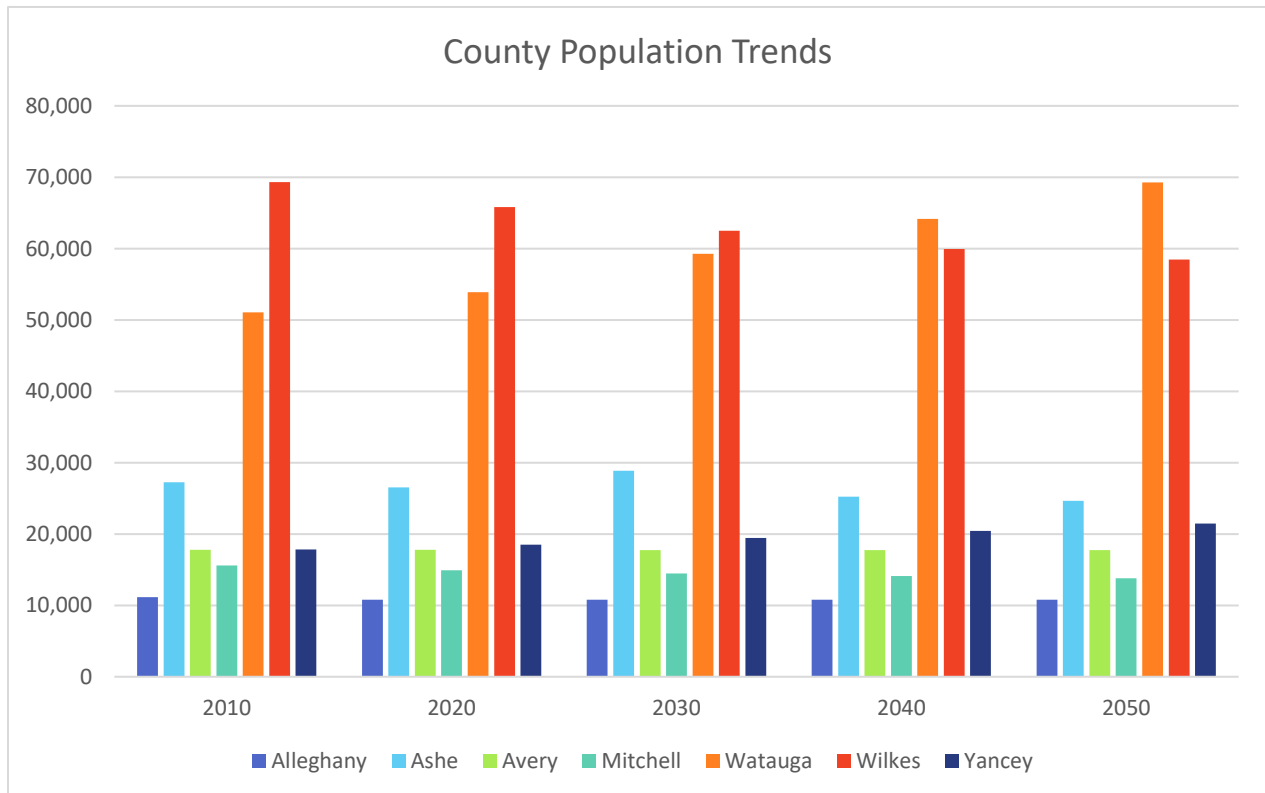
2. Summary Background

Data

Population Trends by County

County	2010	2020	2030	2040	2050
Alleghany	11,150	10,876	10,811	10,812	10,811
Ashe	27,239	26,533	25,858	25,245	24,630
Avery	17,805	17,807	17,756	17,757	17,756
Mitchell	15,581	14,902	14,479	14,120	13,784
Watauga	51,061	53,909	59,284	64,159	69,258
Wilkes	69,311	65,827	62,490	59,941	58,483
Yancey	17,817	18,491	19,444	20,454	21,460
HC Region	210,018	208,345	210,122	212,487	216,182

Source: NC Office of State Budget and Management



Median Age Statistics

	Alleghany	Ashe	Avery	Mitchell	Watauga	Wilkes	Yancey	North Carolina	USA
Median Age	50.6	48.6	45.4	47.2	32.7	45.1	47.9	38.9	38.2

Source: 2020 American Community Survey

Urban/Rural Representation

- 24.0% urban
- 76.0% rural

Income and Poverty

	2020 MHI	2020 PCI	Poverty Rate
Alleghany	\$37,158	\$26,026	18.1%
Ashe	\$43,030	\$25,282	14.5%
Avery	\$42,695	\$24,036	15.8%
Mitchell	\$48,841	\$26,975	14.0%
Watauga	\$46,453	\$27,962	15.8%
Wilkes	\$44,980	\$25,634	14.4%
Yancey	\$44,554	\$25,767	14.9%
North Carolina	\$56,642	\$31,993	12.9%
USA	\$64,994	\$35,384	11.4%

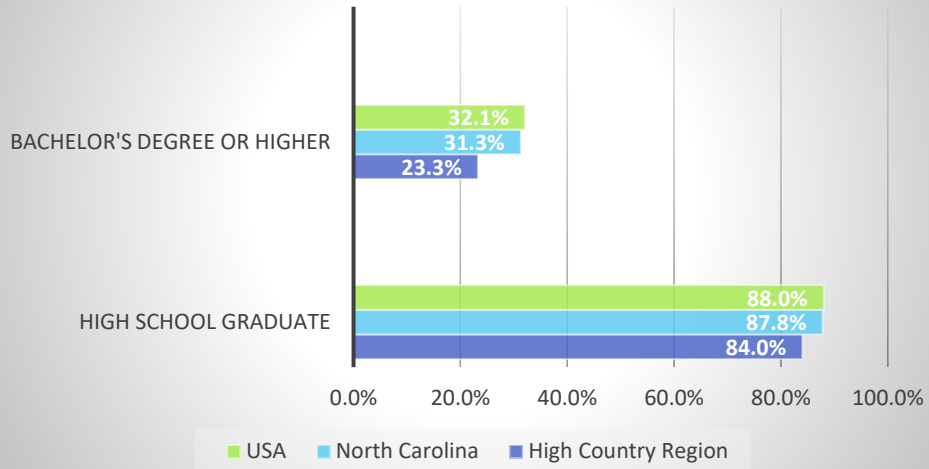
Source: 2020 American Community Survey

Education

	High School Graduate	Bachelor's Degree or Higher
High Country Region	84.0%	23.3%
North Carolina	87.8%	31.3%
USA	88.0%	32.1%

Source: 2019 American Community Survey

Educational Attainment



Employment Share and Wages, NAICS Code – 2nd Quarter 2020

NAICS Sector		High Country Region	NC	Wage High Country	Wage NC
1011	Natural Resources and Mining	1.91%	0.73%	\$47,658.52	\$39,863.20
1012	Construction	5.61%	5.51%	\$43,017.00	\$55,348.28
1013	Manufacturing	12.10%	10.60%	\$39,485.16	\$60,227.96
1021	Trade; Transportation; Utilities	20.38%	20.20%	\$33,287.28	\$45,922.24
1022	Information	1.02%	1.79%	\$47,253.96	\$89,499.28
1023	Financial Activities	3.35%	6.07%	\$49,912.20	\$86,032.44
1024	Professional Service	7.76%	14.96%	\$43,114.24	\$67,054.00
1025	Education and Healthcare	27.60%	23.36%	\$46,426.64	\$51,855.96
1026	Leisure and Hospitality	10.91%	8.46%	\$19,844.76	\$21,095.36
1027	Other Services	2.55%	2.38%	\$29,790.80	\$39,463.32
1028	Public Administration	6.81%	5.94%	\$41,255.24	\$54,763.80

Source: NC Department of Commerce

Top Employers (Annual, 2020)

County	County Rank	Company/Institution
Alleghany		
	1	Alleghany Board of Education
	2	Parkdale Mills Inc.
	3	Alleghany County
Ashe		
	1	American Emergency Vehicles
	2	Ashe County Board of Education
	3	County of Ashe
Avery		
	1	Department of Public Safety
	2	Avery County Schools
	3	County of Avery
Mitchell		
	1	Sibelco North America, Inc
	2	Mitchell Board of Education
	3	MH Blue Ridge Medical Center
Watauga		
	1	Appalachian State University
	2	Appalachian Regional Health Care System
	3	Samaritan's Purse
Wilkes		
	1	Tyson Farms, Inc.
	2	Wilkes Board of Education
	3	Lowes Home Centers, Inc.
Yancey		
	1	Altec Industries, Inc.
	2	County of Yancey
	3	Ingles Markets, Inc.

Source: NC Department of Commerce

Community Investment in the High Country 2020

County	Project	Jobs Created	Investment Amount (\$ Thousands)
Mitchell	The Quartz Corporation	10	\$3,550.35
Yancey	Bakersville Community Medical Clinic	16	\$455.57
Watauga	ECR Software	31	\$1,126.16

Source: NC Department of Commerce

Unemployment Rates (Unadjusted)

	May 2021	May 2020	May 2019	May 2018
High Country Region	4.5%	11.3%	3.8%	3.6%
North Carolina	5.2%	11.9%	3.9%	3.9%
USA	5.5%	13%	3.4%	3.6%

Source: NC Department of Commerce

Effects of COVID-19 and Recovery

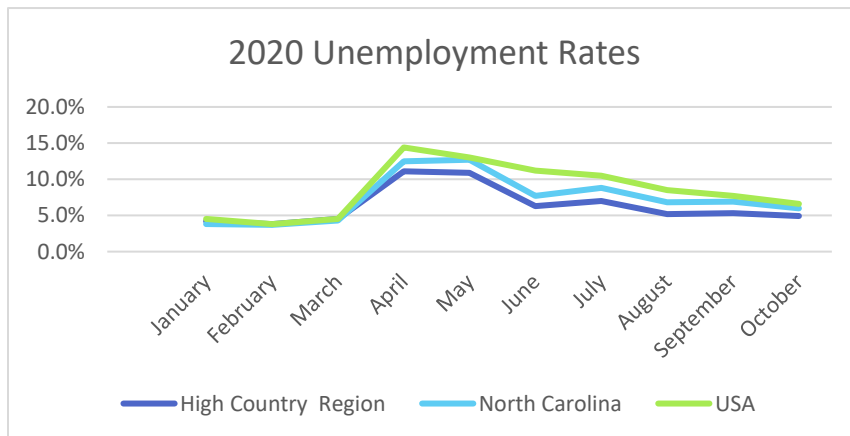
2020 Unemployment Rates (Unadjusted)

	January	February	March	April	May	June	July	August	September	October
High Country Region	4.2%	3.8%	4.5%	11.1%	10.9%	6.3%	7.0%	5.2%	5.3%	4.9%
North Carolina	3.8%	3.7%	4.3%	12.5%	12.7%	7.7%	8.8%	6.8%	6.9%	6.0%
USA	4.5%	3.8%	4.5%	14.4%	13.0%	11.2%	10.5%	8.5%	7.7%	6.6%

Source: NC Department of Commerce

	2019 Unemployment	2020 Unemployment	2021 Unemployment
Alleghany	4.6%	7.1%	4.6%
Ashe	3.6%	6.1%	4.0%
Avery	3.6%	6.1%	3.9%
Mitchell	4.5%	7.5%	5.1%
Watauga	3.4%	6.1%	3.7%
Wilkes	4.0%	6.6%	4.7%
Yancey	3.7%	6.4%	4.3%
High Country Region	3.8%	6.4%	4.2%
North Carolina	3.8%	7.1%	4.8%
USA	3.7%	8.1%	5.3%

Source: NC Department of Commerce

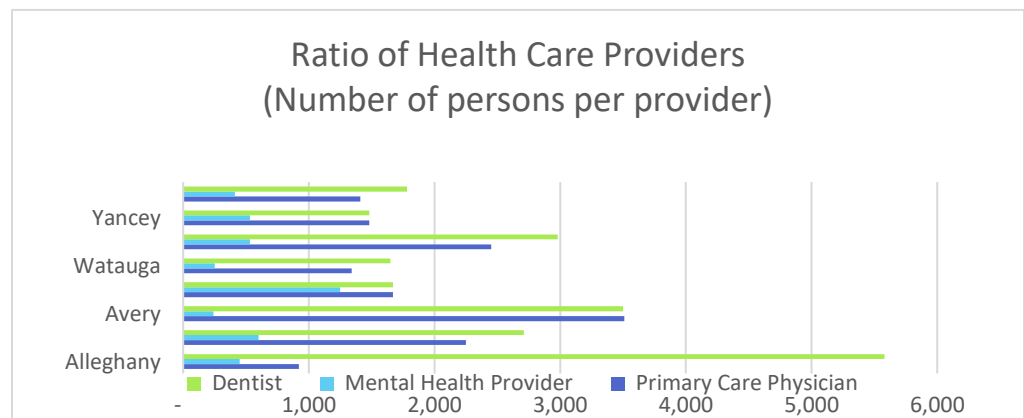


Health

Social Determinants of Health

	Health Ranking in State	% of Adult Pop. that Smokes	% of Adult pop. that is obese	Adequate Access to Exercise	Teen Births per 1000	% Not Insured	Persons for every Primary Care Dr.	Persons for every Mental Health Provider	Persons for every Dentist	% of unsafe homes
Alleghany	46	17%	26%	27%	43	18%	920	450	5,580	13%
Ashe	18	17%	26%	59%	29	16%	2,250	600	2,710	12%
Avery	32	17%	27%	100%	22	20%	3,510	240	3,500	13%
Mitchell	39	16%	27%	100%	33	14%	1,670	1,250	1,670	14%
Watauga	10	18%	17%	92%	5	14%	1,340	250	1,650	26%
Wilkes	65	18%	43%	74%	39	16%	2,450	530	2,980	14%
Yancey	31	17%	30%	100%	34	15%	1,480	530	1,480	13%
North Carolina		17%	31%	74%	24	13%	1,410	410	1,780	16%

Source: County Health Rankings – University of Wisconsin



Housing

Housing Characteristics

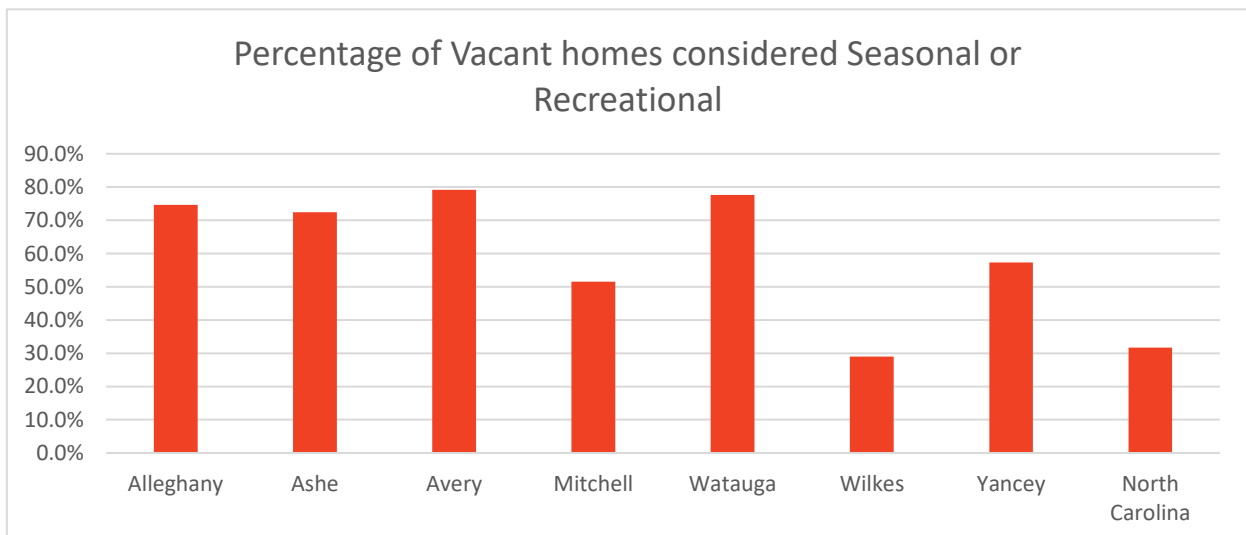
	Median Home Value	Occupied Units	Vacancy Rate	Rental Rate (occupied units)	Average Monthly Rent
Alleghany	\$150,500	5,001	39.0%	24.5%	\$626
Ashe	\$158,200	11,885	33.4%	21.0%	\$657
Avery	\$151,800	6,569	54.0%	22.3%	\$759
Mitchell	\$164,200	6,402	27.6%	20.4%	\$620
Watauga	\$246,000	21,453	37.0%	39.1%	\$925
Wilkes	\$129,200	28,902	14.1%	24.1%	\$642
Yancey	\$166,900	7,466	33.8%	27.1%	\$642
North Carolina	\$182,100	4,031,592	14.0%	34.3%	\$932

Source: 2020 5-year American Community Survey

Status of Vacant Units

	For Rent	For Sale	For Seasonal, Recreational, or Occasional Use
Alleghany	2.9%	3.1%	74.6%
Ashe	3.2%	2.8%	72.4%
Avery	6.6%	2.2%	79.2%
Mitchell	6.8%	6.5%	51.5%
Watauga	3.8%	4.4%	77.6%
Wilkes	9.5%	3.8%	29.0%
Yancey	4.5%	7.6%	57.3%
North Carolina	1.5%	7.1%	31.7%

Source: 2019 5-year American Community Survey



Outdoor Recreation

North Carolina State Park Land in the High Country

Park	County	Acreage	Trails (miles)
Elk Knob	Watauga	4,303	5.40
Grandfather Mountain	Avery	2,456	12.80
Mt. Jefferson	Ashe	1,188	6.25
Mt. Mitchell	Yancey/Buncombe	4,789	15.90
New River	Alleghany/Ashe	750	12.27
Stone Mountain	Alleghany/Wilkes	14,100	23.50

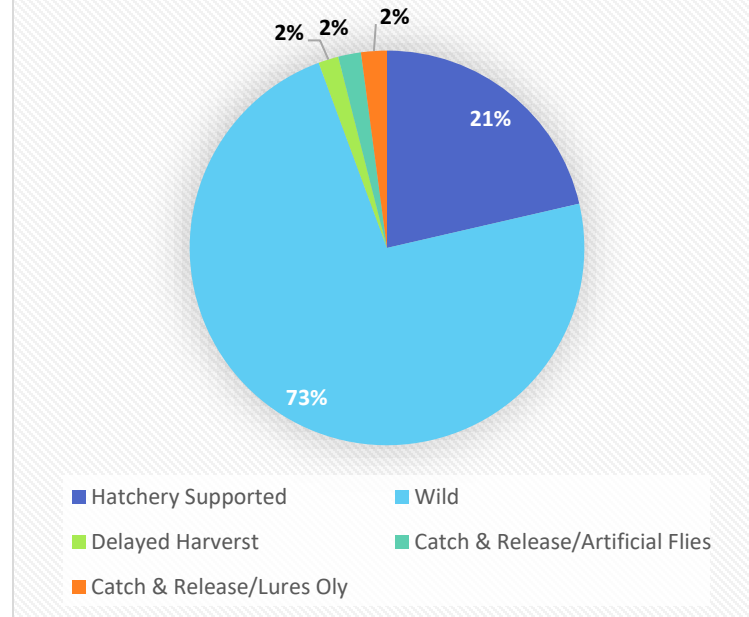
Source: NC State Parks

Trout Streams

	Number of Hatchery Supported Trout Waters	Number of Wild Trout Waters	Total miles of Classified Trout Streams
Alleghany	10	1	52.2
Ashe	11	2	105.1
Avery	9	14	105.5
Mitchell	7	4	102.4
Watauga	13	7	94.6
Wilkes	14	3	88.7
Yancey	4	4	129.6

Source: NC Wildlife Resource Commission; NC DEQ

Trout Waters By Classification In the High Country



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 20% 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 annual events such as the Merlefest music festival and the Grandfather Mountain Highland Games. 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). While private attractions and public lands serve as draws to tourists, the downtowns in the district provide support services (retail, lodging, dining). Water, sewer, and pedestrian facility maintenance/improvements in downtowns are necessary to support the tourism sector of the economy.

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 20,000, 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	57%	40%
Ashe County		
Jefferson	1%	41%
Lansing	19%	18%
West Jefferson	29%	69%
Avery County		
Banner Elk	60%	38%
Crossnore	52%	53%
Elk Park	44%	62%
Linville Land Harbor	71%	80%
Newland	29%	33%
Sugar Mountain	23%	21%
Mitchell County		
Bakersville	17%	n/a
Spruce Pine	43%	39%
Watauga County		
Appalachian State University	12%	8%
Beech Mountain	197%	60%
Blowing Rock	98%	50%
Boone	25%	42%
Seven Devils	29%	n/a
Wilkes County		
Blue Ridge Water Association	34%	n/a
Broadway Water Association	40%	n/a
Moravian Falls Water Works	61%	n/a
Mulberry Fairplains Water Association	45%	n/a
North Wilkesboro	17%	65%
Ronda	25%	n/a
West Wilkes Water Association	41%	n/a
Wilkesboro	31%	97%
Yancey County		
Burnsville	51%	73%

Source: NC Department of Environmental Quality – 2020 Local Water Supply Plans

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

Residential/Commercial

Broadband 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 Broadband service to unserved and underserved areas.

Public Wi-Fi

Free public wi-fi access is expanding in the region. Libraries, NCWorks Career Centers, and most Fire Departments in the district provide free access to the internet via wi-fi. In addition, the Towns of Bakersville, Banner Elk, Burnsville, Spruce Pine, West Jefferson, Lansing, Seven Devils, and Wilkesboro offer free wi-fi access in their downtown areas.

Transportation

The High Country district's transportation network is predominantly highway. No Interstate highways are located within the district, but there are efforts underway to designate a portion of US 421 in Wilkes County as Interstate. If successful, the designation would benefit recruitment of new industry to eastern Wilkes County. Alleghany and Avery Counties have no four-lane highways, but recent widening projects to US 421, US 321, and US 19E have all improved commuter and freight access in and out of the district.

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, Greensboro, 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 public airports, while Watauga has a private airport with few facilities.

The highway transportation network is especially important to the economy of the district because of the large laborsheds. Due to the relatively small workforce and the distances between employment centers, workforce commuting of 50 miles is common and spans neighboring counties in NC, Tennessee, and Virginia.

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.

Regional economies are made up of two types of clusters, each with different patterns of geographic presence and different competitive dynamics. **Traded clusters** are groups of related industries that serve markets beyond the region in which they are located. They are free to choose their location of operation (unless the location of natural resources drives where they can be) and are highly concentrated in a few regions, tending to only appear in regions that afford specific competitive advantages. Since traded clusters compete in cross-regional markets, they are exposed to competition from other regions. Examples of traded clusters include Financial Services in New York City, Information Technology in Silicon Valley, and Video Production and Distribution in Los Angeles. Traded clusters are the "engines" of regional economies; without strong traded clusters it is virtually impossible for a region to reach high levels of overall economic performance.

Local clusters, in contrast, consist of industries that serve the local market. They are prevalent in every region of the country, regardless of the competitive advantages of a particular location. As a result, a region's employment in local clusters is usually proportional to the population of that region. Moreover, the majority of a region's employment comes from jobs in local clusters. Since local clusters are tied to the regions in which they are located, they are not directly exposed to competition from other regions. Examples include Local Entertainment such as movie theaters, Local Health Services such as drug stores and hospitals, and Local Commercial Services such as auto repair shops and drycleaners.

The table below illustrates the dominant traded clusters and local clusters in the High Country district. The traded clusters are reflective of major industries/employers in the respective counties, and the consistency of the local clusters depict the uniformity of employment sectors within the district.

COUNTY	TRADED CLUSTERS	LOCAL CLUSTERS
Alleghany	Textile Manufacturing	Local Health Services
	Wood Products	Local Real Estate, Construction, and Development
	Hospitality and Tourism	Local Hospitality Establishments
Ashe	Automotive	Local Health Services
	Information Technology and Analytical Instruments	Local Real Estate, Construction, and Development
	Lighting and Electrical Equipment	Local Hospitality Establishments
Avery	Hospitality and Tourism	Local Health Services
	Education and Knowledge Creation	Local Real Estate, Construction, and Development
	Business Services	Local Hospitality Establishments
Mitchell	Production Technology and Heavy Machinery	Local Health Services
	Nonmetal Mining	Local Real Estate, Construction, and Development

	Recreational and Small Electric Goods	Local Hospitality Establishments
Watauga	Business Services	Local Hospitality Establishments
	Hospitality and Tourism	Local Health Services
	Distribution and Electronic Commerce	Local Real Estate, Construction, and Development
Wilkes	Business Services	Local Health Services
	Livestock Processing	Local Hospitality Establishments
	Wood Products	Local Real Estate, Construction, and Development
Yancey	Production Technology and Heavy Machinery	Local Health Services
	Textile Manufacturing	Local Real Estate, Construction, and Development
	Upstream Metal Manufacturing	Local Hospitality Establishments

SOURCE: US Cluster Mapping Project, Institute for Strategy and Competitiveness

Relationship to Larger Region

The High Country district is located between several metropolitan statistical areas (MSAs) in NC and TN. While there is significant daily commuter traffic 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.

Impacts of COVID-19 Pandemic

The High Country NC district suffered similar economic impacts of COVID-19 as the rest of the State and nation, but recovered quicker and more completely. Following business closures and unemployment spikes in April 2020, most counties in the district experienced increases in sales tax and occupancy tax from increased visitation to the district.

Appalachian State University conducted an economic impact analysis of the COVID-19 pandemic focused on five counties (Ashe, Avery, Caldwell, Watauga, and Wilkes). The study analyzed impacts to restaurants and bars for the month of April 2020 resulting from NC Governor’s EO 121 requiring closure of all bars and restaurants. Results indicate that COVID-19-related closures and operation interruptions to the

region's restaurant and bar businesses during the month of April 2020 decreased gross regional product by \$52.4 million. This translates into the annual equivalent of losing 675 full-time jobs (annual FTE) or a reduction in full-time equivalent employment of 8,112 (one-month FTE) during the month of April 2020, and corresponding foregone labor income of \$17.2 million. The impact of the extension of the Governor's EO 121 was not included in the analysis.

The longer-term impacts of the COVID-10 pandemic in the High Country NC district include:

- Lack of rental housing as property-owners converted units from long-term to short-term rentals due to high demand from tourists coming to the district from urbanized areas
- Increased volume of emergency response calls; difficulty in retaining EMTs
- Loss of employees at two State prisons located in the district
- Increase in building permit applications
- Shortage of workers due to:
 - Increase in retirements
 - Increased demand for lodging, food services, and retail

3. Resources for Economic Development

Federal

The primary federal resource for economic development in the High Country district is the US Department of Commerce - Economic Development Administration (EDA). EDA provides funding to the High Country Council of Governments, as well as to local governments and community colleges for individual economic development projects.

USDA Rural Development also offers grants for businesses development projects, as well as programs for housing. The High Country district is served by the USDA Asheville Area Office, the Jefferson Sub Area Office and the Spruce Pine Local Office.

The US Small Business Administration (SBA) offers loans to eligible small businesses, and disaster recovery programs. The US SBA also supports the Small Business Technology Development Center (SBTDC) housed at Appalachian State University in Boone. The SBTDC provides counseling and training to small businesses including working with the SBA to develop and provide informational tools to support business start-ups and existing business expansion. The SBA's State Trade Expansion Program (STEP) provides financial awards to state governments to assist small businesses with export development.

The Appalachian Regional Commission (ARC) is an economic development agency established by Congress in 1965. The ARC provides matching funds to local governments, non-profits, and educational institutions for projects that increase job opportunities and incomes.

State

The NC Department of Commerce (Commerce) and the Economic Development Partnership of NC (EDPNC) coordinate on economic development activities at the State level. Commerce provides economic and community development funds to local governments through a variety of grant programs, and EDPNC works with private business to provide State incentives based on job creation.

Additionally, NC Department of Environmental Quality provides grants to local governments for public water and sewer projects that alleviate environmental and public health threats, which indirectly support business activity.

Three Community Colleges serve the High Country district – Wilkes Community College (WCC, serving Alleghany, Ashe, and Wilkes Counties); Mayland Community College (MCC, serving Avery, Mitchell, and Yancey Counties); and Caldwell Community College and Technical Institute (CCC&TI, serving Watauga County). All three community colleges operate Small Business Centers that provide technical assistance to local businesses.

Appalachian State University (ASU) is located in Town of Boone. In addition to housing the SBTDC mentioned above, ASU operates the Center for Entrepreneurship which helps students and recent graduates launch new businesses. ASU also operates the Center for Economic Research and Policy Analysis (CERPA), which conducts research in the areas of economic development, environment and energy, and experimental economics.

NC State University operates the Industry Expansion Solutions (IES) which assists industry with a variety of services, including Cybersecurity, Lean Manufacturing, OSHA Training, etc. Also under IES, The North

Carolina Manufacturing Extension Partnership (NCMEP) provides manufacturing extension services that enhance the productivity, innovative capacity and technological performance of North Carolina based manufacturing firms. They also work to strengthen the global competitiveness of small- and medium-sized manufacturers.

UNC Chapel Hill houses NCGrowth, a university center that helps businesses and communities create jobs and equitable opportunities through applied research and technical assistance. In partnership with other universities and community organizations, NCGrowth provides technical assistance to businesses and governments on economic development and entrepreneurship projects.

Regional

The High Country Workforce Development Board administers and oversees services related to the Workforce Innovation and Opportunity Act (WIOA) through its sub-recipients (currently Goodwill industries of NC and Mayland Community College). The WDB is composed of local private sector businesses and employers, along with those in the public sector. The local WDB, along with partners through the NCWorks Career Center's, help advance the needs of workers and employers in NC through a variety of services such as career guidance, access to training and education, job search assistance, and work based learning opportunities.

Carolina West is a seven-county economic development partnership that includes Mitchell and Yancey Counties of the High Country district. Carolina West is comprised primarily of county Economic Development Commission Directors who work on business retention and business recruitment efforts.

Local

Local economic development efforts are primarily coordinated at the county level. The local structures are listed below:

Alleghany County – Alleghany Chamber for Economic Development; full-time President

Ashe County – County department; full-time Director

Avery County – Avery Economic Development Committee; volunteer

Mitchell County – county economic development commission; full-time Director

Watauga – county economic development commission; part-time Director

- Starting January 2023, Watauga County will contract with the Boone Area Chamber of Commerce for economic development activities

Wilkes County - county economic development commission; full-time Director

Yancey County - county economic development commission; full-time Director

Additionally, six counties and four municipalities in the district have Chambers of Commerce that operate independently from the local government.

4. Strengths, Weaknesses, Opportunities, Threats

SWOT ANALYSIS

- Strengths
 - Hospital system
 - Local facilities
 - Partnerships with larger neighboring healthcare systems
 - Fiber connectivity
 - 1:1 device program at County Schools
 - Affordable internet service
 - Local School Systems
 - Strong CTE programs
 - High graduation rates
 - Community Colleges
 - Wilkes Community College's Education Promise scholarship
 - Customized training
 - Satellite campuses in each county
 - Mayland Community College's Anspach Center
 - Universities
 - Appalachian State University
 - Lees-McCrae College
 - Natural Beauty
 - High quality of life
 - Increased 4-lane highway access
 - Strong year-round tourism industry
 - Attractions (golf courses, ski resorts, North Wilkesboro Speedway)
 - Well-established arts and crafts sector
 - Outdoor recreation facilities
 - Blue Ridge Parkway
 - Pisgah National Forest
 - NC State Parks
 - Local parks
- Weaknesses
 - Workforce housing
 - Conversion of long-term rentals to short-term rentals
 - Not enough building contractors
 - Limited geographic scope of centralized water and sewer systems
 - Aging water and sewer infrastructure
 - Lack of commercial property
 - Labor shortage
 - Childcare

- Lack of facilities
 - Lack of workers
 - No option for 2nd and 3rd shift workers
 - Lack of hotels
- Opportunities
 - Telework
 - Remote Tech Outposts
 - Call centers
 - Strong construction market
 - Maximize occupancy tax
 - Establishment of manufacturing operations based on natural resource extraction
 - Attraction of retirees and second homeowners
 - Increased tax base
 - Talent pool
 - Tourism
 - Outdoor recreation
 - Attract sports tournaments
 - Infrastructure Investment and Jobs Act
 - Increase in agricultural activity
 - Value-added agricultural products
 - Undeveloped property in certain parts of the district
- Threats
 - Lack of workforce housing
 - Lack of daycare
 - Aging population
 - Declining numbers of children
 - Declining school enrollment
 - Increasing dropout rates
 - Lack of workers in construction trades
 - Loss of farmland to development
 - Consolidation of health care services could result in local facility closures
 - Overuse of recreation facilities
 - Strain on emergency services from increased visitor numbers
 - Reliance on tourism industry jobs

5. ACTION PLAN

Goals

1. Connect employers to a skilled workforce
2. Maintain and improve the district's infrastructure (utilities, transportation, housing) 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 Goodwill Industries of Northwest NC. All three Community Colleges in the district (MCC, Wilkes Community College, 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:

- Mayland Community College (MCC)'s development of the former Pinebridge property in Town of Spruce Pine
- MCC's development of a commercial kitchen
- MCC's Dual Enrollment Program at Avery, Mitchell, and Yancey High Schools
- MCC's Early College High School
- MCC's Meat Processing program at the Yancey County campus
- MCC's Paramedic to Associated Degree in Nursing bridge program
- MCC's Customized Industry Training Program
- Enhancement of the Science Pod at Avery High School to incorporate STEM and IT programs
- Construction of new Middle School in Mitchell County
- Career and Technical Education (CTE) internship program at Mountain Heritage High School (Yancey County)

- Trade Up Program in Watauga County – effort between Watauga High School and Caldwell Community College and Technical Institute (CCC&TI) in which students receive construction and trades training, and work with local contractors in paid internships
- Development of the Innovation Campus at Appalachian State University (ASU)
- NC Tech Paths - a local non-profit dedicated to helping people access technology jobs and making Northwest North Carolina a nationally recognized hub for rural tech workers
 - Development of Rural Tech Outpost in downtown North Wilkesboro (The Masthead)
- Lost Province Center for Cultural Arts – craft and culinary arts school in Town of Lansing
- Avery County Cooperative Extension Service’s apprenticeship program for Christmas Tree growers

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
 - Specifically, in the CTE programs, diesel mechanics, welding, and hospitality sectors
 - Integrate High School CTE programs with Community College construction technology programs
- 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 Increase dual-enrollment programs at County High Schools
- 1-E Apply for inclusion of ASU in EDA’s University Center program - for purpose of commercialization, product development, technology transfer, and research
- 1-F Expand treatment for substance abuse and developmental disabilities
- 1-G Expand Associates Degree and Certification offerings at MCC, WCC, and Caldwell Community College and Technical Institute
- 1-H Develop NC Tech Paths Rural Tech Outposts in Alleghany and Ashe Counties
- 1-I Develop additional NC Tech Paths Rural Tech Outposts in Wilkes County
- 1-J Expand welding program at WCC
- 1-K Expand and integrate CTE programs at Alleghany High School and WCC’s Alleghany campus
- 1-L Develop industrial sewing training program at WCC
- 1-M Develop Industry Growth Analysis for the High Country district to identify industry sectors that pay above-average wages and are anticipated to grow
- 1-N Expand the MCC Anspach Advanced Manufacturing Center in Yancey County

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:

2020 - 2029 STIP High Country Rural Planning Organization Priority Needs List

SCORE	COUNTY	PROJECT	DESCRIPTION	RANK
85	Watauga	Boone Multi-Use Path (B170742)	Multi-Use Path from Grove St. to Brookshire Rd.	1
83	Watauga	US 421 (H090163-A)	Widen to Multi-Lanes from US 421/321 Junction in Vilas to Tenn. State Line	2
76	Wilkes	NC 268 (H090173)	Modernize Roadway from Airport Rd. to Elkin Bypass	3
75	Watauga	Middle Fork Greenway Sec. 5 (B170760)	Multi-Use Path from Niley Cook Rd. to Jordan Cook Rd.	4
75	Wilkes	Reddies River Bridge (B170765)	Yadkin River Greenway Bridge Over Reddies River	4
70	Ashe	US 221/Beaver Ck. Sch. Rd. Int. (H150358)	Construct Superstreet Intersection	6
68	Mitch./Avery	US 19E (H090110-A)	Widen Existing Roadway from East Spruce Pine to Mullen Hill Rd.	7
63	Watauga	NC 194 (H090314)	Widen Existing Roadway from US 421 to Howards Creek Rd.	8
59	Watauga	105 Bypass (H111016)	Widen Existing Roadway from NC 105 to US 421/321	9
59	Ashe	US 221 (H170854)	Widen Existing Roadway from US 221 Business to NC 16	9
57	Watauga	US 421/Boone Bypass (H170838)	Construct Freeway on New Location	11
57	Avery	NC 184 (H090169)	Widen Existing Roadway from NC 105 to Hickory Nut Gap Rd.	11
56.77	Yancey	Yancy Transit Facility (T170739)	Design and Construction of New Office and Maintenance Facility	13
56	Wilkes	North Wilkesboro Bypass (H090048)	Construct Roadway on New Location	14

56	Avery	NC 194/US 19E Intersection (H170957)	Improve Intersection	14
56	Wilkes	US 421 Business (H170846)	Widen Existing Roadway from US 421 to CBD Loop	14
55	Wilkes	Yadkin River Greenway Bridge (B170763)	Yadkin River Greenway Bridge Over Yadkin River	17
55	Wilkes	New Route (H090193)	Construct New Facility, Part on New Location from US 421 to NC 268	17
52.7	Wilkes	Airport Runway Extension (A170738)	Extend Runway to Facilitate Larger Aircraft	19
52	Wilkes	Wilkesboro Ave. (H171412)	Widen Existing Roadway from NC 18 (Wilkesboro Blvd. to NC 18 (Main St.))	20
50	Mitchell	NC 226 (H170834)	Upgrade Roadway from NC 197 to NC 261	21
49	Avery/Wat.	NC 105 (H090921-A)	Widen to Multi-Lanes from US 221 to Clarks Creek Rd.	22
49	Watauga	US 321 (H172180)	Modernize Roadway from Payne Branch Rd. to Fairway Dr.	22
49	Alleghany	NC 18/Sparta Parkway Int. (H170959)	Improve Intersection	22
48.62	Wilkes	Airport Access Road (A170736)	Construct Access Road	25
48	Wilkes	NC 16 (H150294)	Widen Existing Roadway from US 421 to Pleasant Home Church Rd.	26
47.38	Wilkes	Airport Taxiway (A170733)	Construct Eastside Taxiway	27
46	Avery	NC 181/Avery High Sch. Rd. (H141043)	Improve Intersection	28
46	Ashe	NC 194 (H150440)	Modernize Roadway from US 221 Business to NC 88	28
45	Ashe	Beaver Creek School Rd. (H170858)	Modernize Roadway from US 221 Business to Ray Taylor Rd.	30
44	Alleghany	US 221/NC 113 Intersection (H141040)	Improve Intersection	31
43	Wilkes	NC 115 (H150297)	Modernize Roadway from Fishing Creek Rd. to US 421	32
42	Wilkes	Brown Ford Rd. (H170850)	Modernize Roadway from US 421 to NC 268	33
40	Yancey	US 19W (H090645)	Modernize roadway from US 19E to Tenn. State Line	34
39	Yancey	NC 80 N (H170802)	Modernize Roadway from US 19E to Mitchell County Line	35

39	Wilkes	Boone Trail Rd. (H140146)	Modernize Roadway from Curtis Bridge R. to US 421 Business (D Street)	35
38.35	Wilkes	Airport Taxiway and Hanger (A130280)	Construct Taxiway and 10 Bay Hanger	37
37	Watauga	Deerfield Rd./Bamboo Rd. Int. (H170956)	Improve Intersection	38
37	Watauga	US 321/Meadowview Dr. Int. (H171760)	Realign Offset Intersection	38
36	Watauga	US 421/Old 421 Int. (H170872)	Upgrade at Grade Intersection	40
34.22	Wilkes	Airport Terminal (A170731)	Construct New Terminal Building	41
34	Ashe	Mt. Jefferson Road (H170866)	Widen Existing Roadway from Oakwood Rd. to Campus Dr.	42
32	Watauga	US 421/Poplar Grove Conn. Int. (H171686)	Improve Intersection	43
20	Yancey	Jacks Creek Rd. Bridge (H170829)	Replace One Lane Bridge with Two Lane Bridge to Align with Road	44

In addition to the 44 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 Jefferson
- Streetscape improvements to East Main Street in Burnsville
- 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
- Improvements to NC 226 in McDowell County
- Improvements to NC 226 from US 19E to Blue Ridge Parkway in Mitchell 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
- Improvements to NC 80 in Yancey County
- Improvements to the Micaville Loop in Yancey County
- Paving of NC 197 in Buncombe County
- Intersection improvements at NC 105/NC 194 in Avery County
- Improvements on US 19E from Mullins Hill Road to Town of Elk Park in Avery County
- Improvements to NC 93 in Alleghany County from US 221 to Virginia State Line
- Safety improvements to the NC 18/Sparta Parkway and Grandview Drive/Sparta Parkway intersections in Town of Sparta
- Improvements to US 19E from NC 194 to Town of Elk Park in Avery County

The American Rescue Plan Act (ARPA) included allocations to NC DEQ (\$1,586,375,000) that were subsequently provided to local governments through competitive grants and direct allocations. Direct allocations in the High Country District in Session Law 2021-180 include:

- Town of Bakersville - \$2,000,000
- Town of Beech Mountain - \$1,000,000
- Town of Blowing Rock - \$4,800,000
- Town of Sparta - \$1,300,000
- Town of North Wilkesboro - \$500,000
- Town of Seven Devils - \$700,000
- Yancey County - \$13,000,000

Additionally, the following appropriations have been made by the State of NC after the passage of Session Law 2021-180:

- Town of Banner Elk - \$2,000,000
- Town of Newland - \$3,200,000
- Town of Ronda - \$3,500,000
- Town of West Jefferson - \$1,500,000
- Town of North Wilkesboro - \$15,000,000
- Yancey County - \$3,050,000

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

- Water intake on the Yadkin River to serve the Town of Wilkesboro
- Sewer system improvements in Town of Bakersville
- Wastewater treatment plant improvements in Town of Burnsville
- Waterline relocation along NC 226 in Spruce Pine
- Skybest's broadband infrastructure expansion in eastern Watauga County
- Development of Infrastructure Master Plan for Yancey County/Town of Burnsville

Physical Infrastructure Strategies

- 2-A Pursue funding from NCDEQ for water, wastewater, and stormwater projects
- 2-B Develop Capital Improvement Plans and Asset Management Plans to increase competitiveness for funding from NCDEQ
- 2-C 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-D Improve public transportation opportunities within and between towns
- 2-E Improve cell service in underserved areas throughout district

- 2-F Develop additional water supply for Towns of Wilkesboro, North Wilkesboro, Blowing Rock, Beech Mountain, Banner Elk, and Wilkes County Water Associations
- 2-G Extend fiber telecommunications service to unserved areas
- 2-H Connect the Towns of Bakersville and Spruce Pine's water system for emergency supply
- 2-I Connect the Towns of Burnsville and Spruce Pine's water system to facilitate commercial development along US 19E
- 2-J Extend public water service to the Roaring River Community to serve Louisiana-Pacific, Certainteed, 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 Include installation of fiber conduit in all road, water, or sewer projects where road crossings occur - to facilitate future fiber extensions
- 2-N Market the availability of fiber infrastructure in all economic development promotion materials
- 2-O Extend public water and sewer service from Town of Burnsville into western Yancey county
- 2-P Construct new wastewater treatment plant in Town of Lansing
- 2-Q Construct new water supply well Town of Lansing
- 2-R Construct new interchange on US 421 in Wilkes County to serve the North Wilkesboro Speedway
- 2-S Extend public water and sewer service along US 421 in Wilkes County to serve future industrial sites and the North Wilkesboro Speedway
- 2-T Implement recommendations from the seven county-level Digital Inclusion Plans currently being developed
- 2-U Pursue Interstate designation for US 421 from Town of Wilkesboro in Wilkes County to I-77 in Yadkin County
- 2-V Upgrade the Town of Sparta's wastewater treatment plant

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.

2020 Visitor Impact Spending

	Expenditures (\$ Millions)	Tax Revenues (\$ Millions)	Tourism Employment (Thousands)	Statewide Rank (expenditures)
Alleghany	\$35.73	\$3.30	0.265	74
Ashe	\$82.15	\$7.60	0.552	46
Avery	\$164.02	\$13.9	1.298	29
Mitchell	\$29.35	\$2.40	0.2	80
Watauga	\$320.88	\$26.40	2.738	14
Wilkes	\$73.96	\$6.00	0.583	49
Yancey	\$53.47	\$5.50	0.331	58

Source: 2020 Economic Impact Studies - Visit North Carolina

Analysis of tourism impact data from 1990 to 2019 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 150% and 400% over the 29-year period.

Local occupancy taxes are enacted separately for counties and municipalities in NC, with total occupancy tax rate capped at 6%. Typically, use of revenues is dictated by the enabling legislation. The table below provides details on local occupancy taxes for FY 2018-19.



Local Government	Rate	Net collections, 2019	Allocation to Tourism Promotion	Allocation to Tourism Related Expenses	Allocation to Non Tourism Related Expenses
Alleghany County	6%	\$80,471	2/3	1/3	
Ashe County	3%	\$300,956	1/3		2/3
Town of West Jefferson	3%	\$72,400	2/3	1/3	
Town of Banner Elk	6%	\$497,665	2/3	1/3	
Village of Sugar Mountain	6%	\$287,054	2/3	1/3	
Mitchell County	3%	\$66,331	unspecified	unspecified	
Watauga County	6%	\$1,837,552	2/3	1/3	
Town of Beech Mountain	6%	\$405,461	2/3	1/3	
Town of Blowing Rock	6%	\$1,078,877	2/3	1/3	
Town of Boone	6%	\$1,516,945	2/3	1/3	
Town of Seven Devils	6%	\$166,344	2/3	1/3	
Town of Wilkesboro	3%	\$172,755	2/3	1/3	
Yancey County	3%	\$102,959	100%		

Source: NC Department of Revenue

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 Construct kiosk at Mt. Mitchell State Park promoting Yancey County and Town of Burnsville
- 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 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-J Develop permanent location for the Mineral and Gem Festival in Mitchell County
- 3-K Renovate the Daniel Boone Park/Horn in the West Outdoor Drama facility in Town of Boone
- 3-L Improve cell service in underserved areas throughout the district
- 3-M Establish Wi-Fi networks in all downtowns
- 3-N Maximize occupancy tax in all jurisdictions
- 3-O Develop/implement outdoor recreation plans for each county in the district
- 3-P Develop Coffey House in Boone as Visitor Center
- 3-Q Construct public restroom facilities in downtowns
- 3-R Implement recommendations in the following trail plans/trail initiatives:
 - Yadkin River Greenway Master Plan
 - Middle Fork Greenway Master Plan
 - Northern Peaks Trail
 - Appalachian High Route
 - Alleghany-Sparta Trail Association
- 3-S Implement recommendations in the following outdoor recreation plans:
 - Great State of Wilkes Outdoor Action Plan
 - Mitchell County Outdoor Recreation Economy Plan
 - Imagine Watauga Action Plan
- 3-T Develop new fishing access (parking, restroom, trail) in Town of Spruce Pine
- 3-U Participate in the Blue Ridge Parkway Foundation’s Gateway Communities Initiative
- 3-V Develop Greenway Master Plan for Yancey County and Town of Burnsville

4. Industry

Industrial recruitment is currently a function of the individual Counties, typically the County Economic Development Commissions (EDCs). The County EDCs also are the lead entities on small business recruitment, business/industry retention efforts, and business/industry expansion projects. The Economic Development Partnership of North Carolina (EDPNC) has 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 (One NC Fund, Job Development Investment Grant, Building Reuse Grant).

Due to the district's steep terrain and limited infrastructure (water/sewer, rail, 4-lane highways), there are not extensive large-scale industrial parks. Existing industrial sites that are either local-government controlled or actively marketed by the local governments include:

- Ashe County - Ashe County Industrial Park, West Jefferson, ~40 acres, vacant
- Wilkes County – various sites, 2-20 acres, primarily located in and around Wilkesboro and North Wilkesboro
- Watauga – Watauga County Industrial Park, Boone, full
- Yancey – West Burnsville Industrial Park, Burnsville, ~40 acres, vacant
NC

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

- Construction of the Wilkes Commercial Business Center
- Development of the Ashe County Industrial Site
- Development of the West Burnsville Industrial Park in Yancey County

Industry Strategies

- 4-A Develop Regional Industrial/Business Park along US 421 in the Deep Gap Community
- 4-B Develop Industrial Site in Alleghany County, or in conjunction with Grayson County VA
- 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.
- 4-K Develop additional industrial sites in Watauga County
- 4-L Develop industrial sites along US 421 in Wilkes County
- 4-M Obtain NC Certified Industrial Site designation for Ashe County Industrial Site

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 Develop a Makers Space facility in Ashe County
- 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 Support NC Tech Paths curriculum and plans to develop Remote Tech Outposts
- 5-G Develop the Resource Center for Entrepreneurs at the new MCC facility in Town of Spruce Pine
- 5-H Connect entrepreneurs with planning support offered by the Community Colleges' Small Business Centers

- 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
- 5-M Support ASU’s Economic Development Council designed to broaden the university’s business, entrepreneurial and government partnerships
- 5-N Promote UNC-Chapel Hill’s Anchor Institutions Create Economic Resilience program (AICER), that works with anchor institutions such as universities, local governments, and hospitals to source their goods and services from local suppliers
- 5-O Increase staffing at WCC’s Small Business Center
- 5-P Promote Appalachian Regional Commission’s Opportunity Appalachia Program, which provides feasibility studies, engineering plans, and access to capital to increase “investor readiness” for downtown redevelopment projects
- 5-Q Implement recommendations in the Creative Manufacturing Sector Development Plan

6. Agriculture

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

Agricultural Activity

	Farms	Farmland (in acres)	Value of Agricultural Products sold in 2017 (in Millions)
Alleghany	448	70,593	\$31.4
Ashe	864	109,790	\$57.1
Avery	351	28,679	\$20.1
Mitchell	250	33,521	\$2.4
Watauga	520	49,614	\$16.7
Wilkes	932	106,710	\$335.1
Yancey	369	30,824	\$6.8

Source: USDA - 2017 Census of Agriculture

Agricultural Activity changes from 2012 to 2017

	Farms	Change From 2012	Farmland (in acres)	Change from 2012	Value of Agricultural Products sold in 2017 (in Millions)	Change from 2012
Alleghany	448	-21.0%	70,593	-22.4%	\$31.4	-13.5%
Ashe	864	-24.2%	109,790	-2.4%	\$57.1	4.8%
Avery	351	-27.3%	28,679	1.6%	\$20.1	16.9%
Mitchell	250	-12.6%	14,802	-23.4%	\$2.4	-4.0%
Watauga	520	-14.6%	49,614	-11.0%	\$16.7	9.2%
Wilkes	932	-4.1%	106,710	-4.0%	\$335.1	17.6%
Yancey	369	-18.0%	30,824	-0.6%	\$6.8	19.3%

Source: USDA - 2017 Census of Agriculture

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.

Forestry Impacts

The seven High Country Counties contain approximately 6.02% of all the designated Timberland in the State and does not harvest timber at rates comparable to other parts of the State. The table below shows the timberland in each County and harvest rates (in million green tons).

Available Timberland and Harvest Rates

	Private & Public Timberland (acres)	Percentage of land designated "Timberland"	Growth (Million Green Tons)	Harvest (Million Green Tons)	Growth to Harvest Ratio
Alleghany	70,079	46%	0.2	0.1	1.77
Ashe	175,938	64%	0.6	0.4	1.31
Avery	126,960	80%	0.3	0.3	1.04
Mitchell	98,061	69%	0.3	--	--
Watauga	122,639	61%	0.3	--	--
Wilkes	342,831	71%	0.8	0.2	3.41
Yancey	151,299	75%	0.3	0.1	2.00
North Carolina	18,082,711	57%	59.5	35.0	1.71

Source: NC State University College of Natural Resources

The High Country district has relatively low economic impact from forestry (total effects of all forest products and wood-based industry sectors). The High Country contributes 1.63% of the total forestry jobs in the State; 1.41% of the Labor Income; and 1.62% of the Industry Output, as detailed in the following table.

Economic Impact of Forestry in the High Country

	Employment	Labor Income (\$ Millions)	Output (\$ Millions)
Alleghany	238	\$9.79	\$43.39
Ashe	115	\$5.05	\$15.02
Avery	58	\$1.23	\$7.84
Mitchell	89	\$3.57	\$14.89
Watauga	218	\$8.18	\$30.13
Wilkes	1,453	\$78.07	\$390.44
Yancey	286	\$10.76	\$41.96
North Carolina	150,417	\$8,280.00	\$33,599.00

Source: NC State University College of Natural Resources

All seven Counties in the district have Voluntary Agricultural Districts (VAD) to preserve and protect existing farmland. The table below contains data on local VADs.

County	Farms Enrolled in VAD	Acres Enrolled in VAD	Farms enrolled in Enhanced VAD	Acres enrolled in Enhanced VAD
Alleghany (2021)	228	12,569	0	0
Ashe (2021)	145	9,930	0	0
Avery (2020)	56	1,154	71	1,649
Mitchell (2018)	34	4,600	0	0
Watauga (2021)	130	8,013	0	0
Wilkes (2021)	170	7,621	0	0
Yancey (2017)	0	0	0	0

Source: NC Department of Agriculture

Additionally, all seven Counties in the district operate Future Farmers of America programs to prepare students for successful careers in agriculture.

Agriculture Strategies

6-A Promote the following cost share programs to farmers throughout the district to address natural resource conservation:

- North Carolina Agriculture Cost Share Program (NCACSP)
- Community Conservation Assistance Program (CCAP)
- Agricultural Water Resources Assistance (AgWRAP)
- Environmental Quality Incentive Program (EQIP)

- 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 a butchery program
- 6-E Develop/maintain Farmworker Health Programs to improve health and safety of seasonal farm workers
- 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
- 6-J Conduct the following improvements to the High Country Food Hub:
 - Facility expansion
 - Additional loading docks
 - Additional cooler and freezer space
 - Additional satellite pick-up locations
 - Economic Impact Study
- 6-K Develop the Watauga County Livestock Slaughter facility, including:
 - Building
 - Water and sewer extensions
 - Access road
- 6-L Obtain permanent location for the TRACTOR facility in Yancey County
- 6-M Use Avery County's Farmer Apprenticeship program as example for other counties in the district
- 6-N Develop livestock aggregation and sales facility in Ashe County

Priorities

1. Increase availability of workforce housing

- Review development regulations to ensure properties are available to accommodate multi-family, manufactured home, and small-lot residential development
- Conduct housing studies to quantify demand/supply of workforce housing
- Expand public water and sewer systems to serve development of workforce housing
- Take advantage of State programs to fund housing repairs
 - NC Housing Finance Agency (Urgent Repair program, Essential Single-Family Rehabilitation program)
 - NC Commerce (CDBG-Neighborhood Revitalization program)

2. Increase availability and affordability of daycare

- Use Ashe County School System program as model for other counties
- Use “Elevate Watauga” program as model for other counties
- Pursue grant funds to subsidize cost of daycare
- Incentivize employer-provided daycare

3. Increase outdoor recreation opportunities

- Develop county-level outdoor recreation plans to guide facility improvements
- Improve local parks to serve both residents and visitors
- Improve emergency response capacity

4. Improve availability and access to broadband

- Extend last-mile connectivity to unserved areas in the district
- Construct wi-fi networks in downtown areas
- Implements county-level digital inclusion plans to address access, affordability, and proficiency of internet use

5. 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

6. Expand agricultural output through:

- Increased timber management and harvesting

- Diversification of commodities
 - Recruitment of processing facilities (i.e., slaughterhouse, cannery)
- 7. Increase stock of available, marketed industrial/business sites**
- Vicinity of US 421/US 221 intersection (Deep Gap Community)
 - Along US 19E between Spruce Pine and Burnsville
 - Along US 421 in Wilkes County
- 8. Expand local colleges and universities roles in regional economic development**
- Apply for inclusion of ASU in EDA's University Center program
 - Expand offerings from ASU's Center for Entrepreneurship
 - Expand certification offerings in high-demand occupations
- 9. Use existing programs as models to improve workforce development**
- Skybest apprenticeship program
 - Wilkes Community College "Education Promise" scholarship program

Resiliency

This section is intended to build upon the findings of previous sections and to take into account economic weaknesses and deficiencies in the region. A number of initiatives is then identified to address these deficiencies. These initiatives are a way to help the region be proactive and prepared for economic disruptions and to implement resilience strategies.

Resilience Strategies

1. Invest in downtowns to support commercial base
2. Diversify agricultural commodities
3. Increase timber management
4. Improve healthcare availability throughout the district
 - Increase telehealth capabilities at local schools and health departments
 - Develop mobile health and dental care systems
 - Develop/expand migrant labor healthcare systems
5. Increase availability and affordability of daycare
 - Use Ashe County School System program as model for other counties
 - Use “Elevate Watauga” program as model for other counties
 - Pursue grant funds to subsidize cost of daycare
 - Incentivize employer-provided daycare
6. Convert more firefighters to paid, full-time positions
7. Improve emergency management communications systems
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
10. Accommodate the district’s increase in outdoor recreation visitors by:
 - Expanding parking and restroom facilities on public lands
 - Educating visitors on sustainable recreation and “leave no trace” ethics
 - Increase EMS/1st responder capacities
 - Additional staff
 - Swift-water rescue infrastructure (boats, training, river access points)
11. Increase size of workforce in high-demand fields
 - Use Watauga County Schools/CCC&TI “Trade Up” program as model

6. IMPLEMENTATION

The CEDS contains a total of 80 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.

7. 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