

Avery County Economic Development Committee  
October 26, 2021

Meeting Conducted Online Via ZOOM  
Minutes

The Avery County Economic Development Committee (EDC) met at 5:00 pm on October 26, 2021.

Present for the meeting were:

Phillip Barrier (County Manager), Ken Walter, Susan Siirila, Dave Smith, Kate Gavenus, Clayton Harpold, Jerry Moody, Terri Melton, Edward Dean, Anne Winkleman and Dennis Holland (Avery County IT Representative).

Member absent: Angie Berry

Ken Walter called the meeting to order at 5:05 p.m.

(1) Approve and/or amend the September 28, 2021 minutes. Phillip Barrier indicated a necessary change to the minutes as follows: Section 3, ARC should be changed to ARP. Kate Gavenus made a motion to approve the minutes following correction. Clayton Harpold seconded the motion. No discussion occurred. The motion was approved unanimously.

(2) Unfinished Business

A. Ken re: the Community Center video: Brent Ramsey, Blue Ridge Film Production, has completed filming the video and should have an initial edit available for review this month. Mr. Walter has advised him that we are in no hurry, and that November would be acceptable for submitting the first edit of the video to us.

B. Avery County Chamber of Commerce "Business & Tourist Guide" update: Anne Winkleman – Ms. Winkleman stated that ads are being accepted for the Business Guide through mid-November. The updated ad that the EDC will place in the guide will be ready for review next week and can be presented to the Avery County Commissioners thereafter.

C. Occupancy Tax status: Phillip Barrier reported that he has talked with our representatives and that the bill is ready to be drafted. The draft of the bill cannot be completed until after the holidays. The bill will be presented in the 2022 session in January.

D. Ken re: latest Newland Structall and Bent Pine Hollow news: No report. Anne Winkleman stated that Structall representatives/owners have purchased a house locally and they are going forward as quickly as they can. Ken Walter raised the issue of the number of individuals to be hired initially. Ms. Winkleman

stated that she had been advised by Structall representatives that the number may be as high as 40, but that is not confirmed.

(3) Phillip Barrier updates and other news re: strip mall property, O'Reilly Auto Parts, Structall, etc. Availability of Avery County Logo decals? Other new business news:

Phillip Barrier stated that there was no news on the shopping center. He reported that he has also reached out to Structall, and that all seems to be going slowly and steadily. He has not spoken with the O'Reilly Auto Parts representatives but was advised that they will open in January 2022. He stated that many employers need to hire workers; there are "Help Wanted" signs throughout the area. Mr. Barrier added that in July 2021, Avery County produced \$853,000.00 in sales tax. That is a 28.79% increase over the prior year. He stated that the American Rescue Plan material shows how hard most of the country has been hit with the pandemic, but that it does not appear to have been true for western North Carolina.

Dave Smith re: Newland strip mall property development status: Dave Smith stated that regarding the strip mall, the individuals who had expressed interest earlier had basically pulled out at this point. He has continued to speak with investors and may have something down the road, but there is nothing else to report at this time.

Ken Walter reported that he and Anne Winkleman attended the first Newland Assessment of Stakeholders which was hosted by Newland Mayor Valerie Jaynes and Hillary Greenberg. He stated that the meeting went incredibly well, and that he felt enthusiastic. Ms. Winkleman concurred. She stated that if committees can be formed to conduct follow through, it will be beneficial.

(4) New Business and/or other issues to address

A. Ken Walter indicated that he will not be here for the November meeting. Clayton Harpold will chair the November meeting. Discussion occurred regarding scheduling for the December 2021 meeting. Clayton Harpold made a motion that the December 2021 meeting be waived (cancelled). Dave Smith seconded, and the motion was approved unanimously.

B. Ken Walter has extended an invitation to Victoria and Jon Bowman of Structall to be guest speakers at the EDC meeting in January or February 2022. EDC team members agreed that it would be good to invite the Bowmans to the January or February meeting. Mr. Walter will re-contact the Bowmans and schedule them as guest speakers.

C. Clayton Harpold - Report on Mission Statement progress: Mr. Harpold sent the latest iteration of the mission statement to all EDC team members. See statement below:

## Charter

The Avery County Economic Development Advisory Committee shall serve as an advisory body for the Avery County Board of Commissioners and the Avery County Manager.

## Mission Statement

The mission of the Avery County Economic Development Advisory Committee is to encourage and support the retention and expansion of existing businesses within the county area, support local infrastructure projects, work to attract new business opportunities to increase the local tax base and improve the quality of life for residents.

Phillip Barrier suggested the following changes: remove the word “area” in the phrase “businesses within the county *area*”; remove the word “to” and insert a comma after the word “opportunities.” Mr. Barrier will double check the grammar and punctuation following these corrections.

D. Kate Gavenus re: Report on New Business Guide Toolbox project:

Ms. Gavenus began the overview with discussion regarding the Grandfather Mountain Highland Games and noting all the vendors represented businesses. She said that all data contained in the draft of material for the Toolbox is up for change, and something for the team to work on together.

Page two of the draft has the charter and the mission statement for the Town of Beech Mountain. Ms. Gavenus will plug in the mission statement that is in development by the EDC. She stated that the mission statement gives us the thing that we need to have to prove the efficacy of the plan. When one is looking for strategies, he or she is looking for something that can be measured. For example, if the mission statement says “increase the local tax base” that could be increasing it by bringing in more businesses, by bringing in more sales tax or dollars that go into peoples’ pockets that they then spend on housing, etc. thereby increasing the tax base from the housing, or from the businesses themselves. By having that in the mission statement, that already gives us a measurable quantity in the document. Ms. Gavenus stated that if all team members agreed, she would proceed with usage of this material in the toolbox.

Ms. Gavenus discussed an economic phenomenon called “leakage” which occurs when earned money is going out of the county. This is when the profits from a business do not stay in the community but goes somewhere else. This causes difficulty with quantification.

Ms. Gavenus made a simple statement regarding what the toolbox was for, basically “to further our mission.” She began the case for development with the background. The background piece mostly comes from the current census data. She noted that any places where she has put a note, that is her editorial point of view, but some of the data is not point of view only.

The geography section contains empirical data. Ms. Gavenus noted that when looking at our population on the draft of the Toolbox, the break out by race adds up to more than 100%. That is because Hispanic is not a race. That is a category that we do count as an underserved population, and it is a minority that we want to insure is being served. Hispanics can identify as white, black, etc. That is the reason that the number is higher than 100%. Also, this section notes that we have 45% females in our county population. We have 45% female because we have a population in our prison that gets counted in the census numbers who are male. We do not have several females to offset that number. This could change in the future as there are prison populations in some smaller areas that affect how many seats/representation that an area qualifies for. This is not the case in our county, but it could be a factor in the future.

We have a population that is a bit older than the average. 45.2 is the average age in Avery County currently. Statewide, it is 38.7. Ms. Gavenus noted that this is not a negative factor, as one of the current trends is that employers lean toward hiring older workers. People are taking longer to retire, or they may retire and return to work part time. These workers are seen as a valuable commodity, and not the negative that it used to be. Employers may look at our county's age demographic as a positive thing.

Ms. Gavenus noted that on the economy section, she included the population that is in the civilian labor force, and the number of businesses that are in Avery County (Gavenus stated that she believes the number is higher as the numbers may not tally all small businesses).

The section on county and town revenues and tax bases section is a section that Ms. Gavenus stated she intends to continue to work on for inclusion in the Toolbox. One of the reasons is that if we are going to say that our goal is to increase our tax revenues, if we are going to increase the tax base, we need to be able to start with quantity. She stated that she needs to get as accurate information as possible. She stated that we will need to secure information from the county records as well as the municipalities for inclusion in the Toolbox.

The next section is income/poverty/housing. Our per capita income is low compared to the state average. We have 60.4% of people living in poverty. This is higher than the state average. Our median gross rent is \$777.00 per month, which is lower than the state average. A single wage earner making the per capita income, which is approximately \$21,000.00, with rent of \$777.00 would spend 44% of income on housing. Rent is high in our area compared to what people can reasonably expect to earn. The owner-occupied housing rate is 75.3%.

The next section addresses education. Ms. Gavenus stated that she will add information about our school system. Some of the things we have going for us in this area include the quality of the pre-k through grade 12 school system, and we have Crossnore School which is a bonus. We also have two good homeschooling associations. Those are items which Ms. Gavenus will add to the Toolbox data for the next draft. The current draft shows that we are served by Mayland Community College, home to Lees-McRae College

and 20 miles from Appalachian State University. Not many counties have this going for them, so this is a plus for Avery County. Mayland has good articulation programs with LMC and ASU, which are notable items for inclusion.

Ms. Gavenus stated that in the summary section, she has noted that we have a workforce in need of good paying jobs. We have great educational institutions. We have leadership that is invested in supporting businesses. She stated that once we get the tax information included in the toolbox, we can note where our strengths are at right now and what different kinds of businesses we might focus on. She stated that the next things she would like to do are: 1) work with the county manager on what things the county can provide, and any local agency or organization can provide which can be offered to businesses for free and develop information on potential things that county leadership can offer certain types of businesses, and 2) work on deciding what types of businesses we would like to prioritize.

Ms. Gavenus stated that we know we need construction, housekeeping, retail and other types of businesses in this area. Agriculturally, we have the kill & chill project in Watauga County going in, so we may need to begin promoting businesses that could make use of that. She stated that these are the things she would like EDC team members to consider. Ms. Gavenus stated that Jerry Moody could be our expert on possible agricultural businesses, and that Anne Winkleman, through her work at the Chamber of Commerce, may know about the kinds of businesses planned by people reaching out to the Chamber for information. Ms. Gavenus indicated that once we have a list of possible types of businesses compiled, from that we can develop a matrix, and categorize the listed items, so that we can quantify and assign a number to each item.

Ms. Gavenus concluded by stating that she would contact Mr. Barrier later to schedule a meeting so that work can begin on gathering more information. Ken Walter advised that the individuals doing the Newland Assessment had provide interesting statistical documentation for both Newland and Avery County. He added that one of the banking officials had commented to him earlier that one of the things that Avery County offers, especially to those coming from urban areas, is that we provide such a safe and relatively crime free place to live and work. Phillip Barrier shared with the group that the Dogwood Trust has awarded McDowell County funding for a program called Freedom Life, which is a program that helps former offenders. For three years, Mr. Barrier has held a drug-crisis round table, which gathered help agency representatives with county representatives. The participants talked about what can be done to help the drug problem in Avery County. He stated that we were awarded a similar grant for two years. This will pay for a director and planner to help get the program like that of McDowell County off the ground. What will be crucial is having people on the committee selling the idea to the county for success. Mr. Barrier stated that we should have an official press release about this very soon. Mr. Barrier indicated that Avery County has also received, through the Dogwood Trust, a grant for \$275,000.00 to do an asset inventory and assessment of the entire county. This will be all the broadband, water, sewer in every town within the county limits. The capital improvement plan and affordable housing plan are included as well. He advised Ms. Gavenus that this will help with information gathering for the Toolbox.

#### E. American Rescue Plan news applicable to Avery County & EDC

Mr. Barrier reported that the American Rescue Plan funding total for Avery County is \$4.3 million. He stated that he and the county finance officer have been involved in five classes so far with the NC School of Government to learn about reports associated with spending the ARP funding. Avery County's goal is to make a lifetime change with the funding; broadband will be the number one concern. Also on the list are affordable housing, daycare plus some other concerns as well. Mr. Barrier has reached out to representatives Dudley Green and Warren Daniel regarding the ARP funding. He learned that federal regulations indicate that the funding can be used on broadband, but that state law indicates that it cannot. Therefore, that state law must be changed. We must spend the funding obeying the laws of the state, while doing what the federal government says is allowable. Mr. Barrier has met with three internet providers, and they are ready. As soon as we are given the go-ahead, we want the providers to be ready to go ahead and start with implementation of bringing high speed internet to all areas of the county. The funding must be committed by 2024 and spending finished by 2026. However, our congressman has indicated that the deadline may be extended.

#### (5) Avery County Chamber of Commerce – Anne Winkleman

Ms. Winkleman stated that the Woolly Worm festival was a huge success. There were 17,000 people in attendance. Over 150 vendors were at the festival. The Chamber of Commerce is now focusing on their advertising for the Business Guide and on the annual dinner. Also, they are considering holding a concert in Newland. This is just in the consideration phase for next year.

#### (6) Agricultural sub-Committee Report – Jerry Moody

Mr. Moody reported that Christmas tree harvest season has started. 1.25 million trees will be processed out this year. The wholesale price is \$41.00 per 6-7 foot tree. This translates to a \$51 million income from Christmas trees alone. Choose & cut will process 35,000 to 40,000 trees sold. This will generate approximate \$4 million coming into the county (trees, food, lodging, etc.) In North Carolina, we could be approximately half a million trees short of having enough to meet the demand. It should be a good year for the growers and a tough year for the retailers.

Mr. Moody reported that a ginseng producer has purchased a 30 acre site in Avery County. The same grower has purchased a 70 acre site in Watauga County.

Mr. Moody reported that the kill & chill project in Watauga County is still moving forward. He concluded by reporting that a tree grower at Beech Mountain has experienced issues with trees being cut by a developer. He stated that we may need to look at protection of trees, property, etc. via ordinances, as there are no regulations on record that prohibit cutting of trees on right of ways, private property, etc. except for a civil lawsuit. Ms. Gavenus stated that the Town of Beech already has a tree ordinance in place, which may be reviewed if other municipalities might wish to review it.

#### (7) Marketing sub-Committee Report – Ken Walter

No report.

(8) Education sub-Committee Report – Ken Walter

Mr. Walter stated that a decision has already been made by the EDC to delay the previously planned workshop. This matter will be raised again in January or February. Ken Walter will communicate with Allen Cooke, Mayland Community College, regarding scheduling the speaker/trainer for the event. He will work with Jerry Moody regarding usage of the Community Center. Thereafter, all that will be left to address is catering for the event.

The next meeting is scheduled for November 30, 2021.

Ken Walter adjourned the meeting at 6:01 p.m.

Respectfully submitted,

Susan P. Siirila

Attachment: Draft One Avery County ToolBox