

CHAPTER SEVEN: ECONOMIC DEVELOPMENT

This chapter contains a compilation of background information that will inform goals, policies, and programs to promote the retention and stabilization of the economic base in Clay County. The chapter also includes an assessment of new businesses and industries that are desired in the county, an assessment of the county's strengths and weaknesses with respect to attracting and retaining businesses and industries and ____.

EXISTING ECONOMIC DEVELOPMENT FRAMEWORK

This section details labor force trends, educational attainment, employment forecasts, income data and other economic characteristics of the county.

WORKFORCE FLOW

The most recent workforce flow (or commuting) data is available from the 2000 Census. While the data is dated, it does provide insight into where and from Clay County workers commute. In 2000, when the data was gathered, more Clay County residents worked in the county than those who left the county for employment. For those who commuted out of the county, 20% traveled to Region A counties or to counties in the Georgia mountains. Fewer Clay County workers commuted out of the county when compared to 1990 and more people commuted into the county in 2000 than 1990. The following charts detail this data.

Workflow results from the Community Input Summary document patterns similar to those in the 2000 Census. More workers are employed in Clay County than in other places, 49% work only in Clay County and 21% work in Clay County and at least one other county. Cherokee County, NC, and Towns and Union Counties, GA, are the top areas to which Clay County workers commute.

Economic development leaders should review the new American Community Survey data upon release to determine if shifts have occurred in the county's workflow patterns.

	2000		1990	
	# of Workers	% of Workforce	# of Workers	% of Workforce
Work in Clay County	1,907	44.30%	1,303	39.10%
Commute Out of Clay County	1,789	41.60%	1,567	47.10%
Commute Into Clay County	607	14.10%	460	13.80%
TOTAL WORKERS	4,303	100.00%	3,330	100.00%

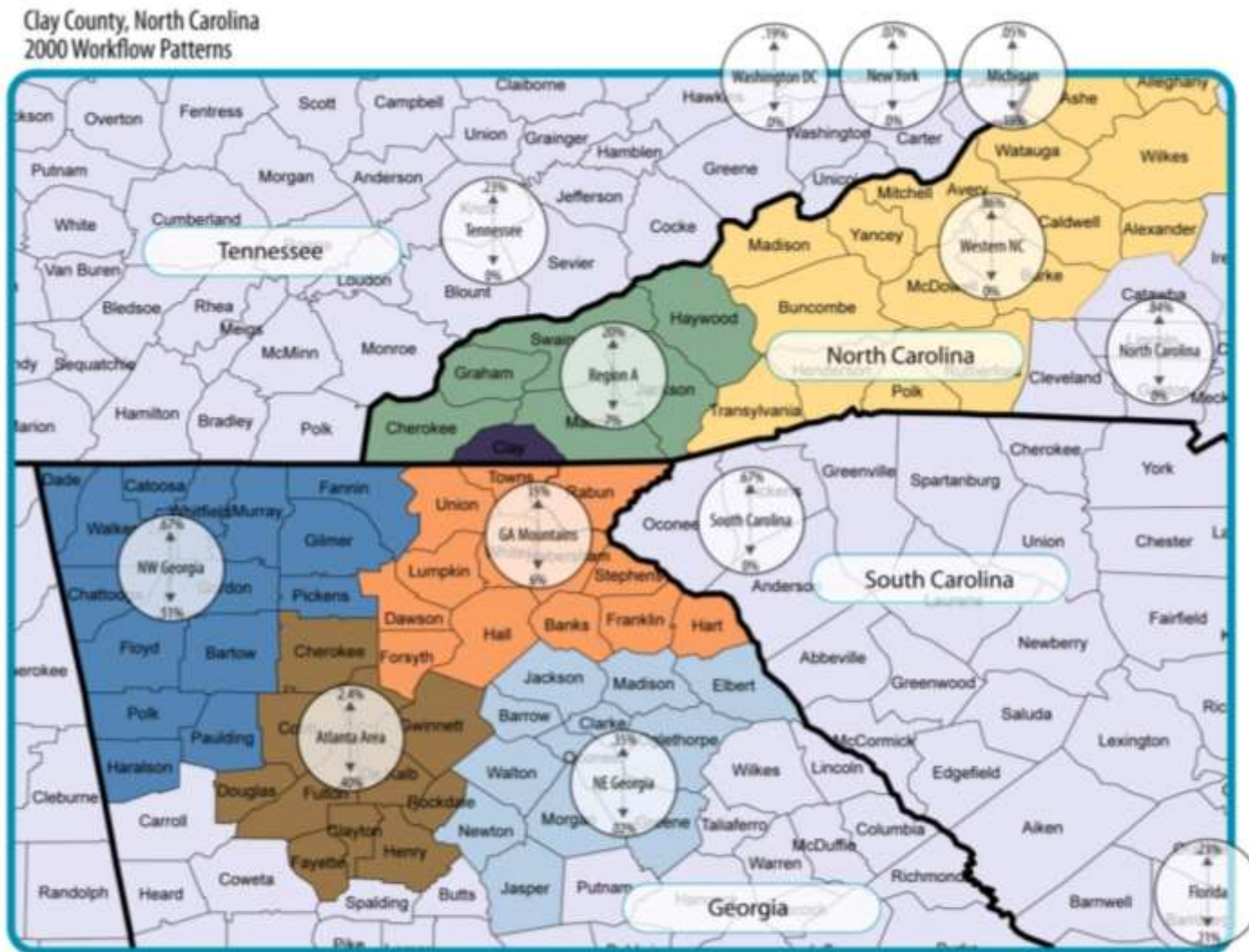
Source: US Census Bureau, 2000, 1990

Table 25: Commuting Patterns from 2000 Census Data—Part II								
	2000				1990			
	Commute Out of Clay County to:		Commute In to Clay County From:		Commute Out of Clay County to:		Commute In to Clay County From:	
	# of Workers	% of Workforce	# of Workers	% of Workforce	# of Workers	% of Workforce	# of Workers	% of Workforce
Region A	846	19.70%	297	6.90%	933	28.00%	196	5.90%
Western NC	37	0.90%	0	--	8	0.20%	--	--
Beyond WNC	36	0.80%	0	--	3	0.10%	5	0.20%
Georgia	808	19%	293	7%	561	16.80%	259	7.80%
Other States	62	1.40%	17	0.40%	62	1.90%	--	--

Source: US Census Bureau, 2000, 1990

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Figure 3: Clay County 2000 Workflow Patterns

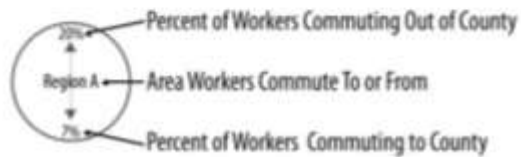


2000 Total Workers = 4,303

Work in Clay County = 1,907 (44%)

Commute Out of Clay County = 1,789 (42%)

Commute to Clay County = 607 (14%)



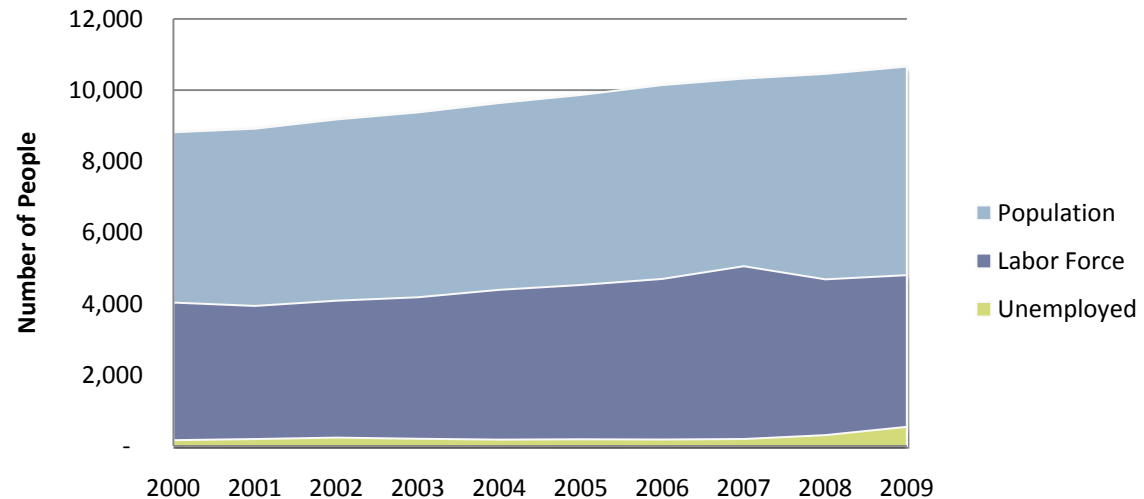
Source: US Census Bureau, 2000; NC DCA

LABOR FORCE TRENDS

The labor force is the number of people eligible and able to work, whether employed, unemployed, or actively seeking employment. According to 2009 NC Employment Security Commission figures, 46% of Clay County residents participate in the labor force. The unemployment rate is the portion of the labor force's unemployed workers. Chart ___ provides a snapshot of labor force trends since 2000. The total labor force follows the economic cycles documented during the building permit discussion on page __. There was a 2% drop in the number of people in the labor force during the 2001 recession, followed by a steady increase each year until the number of people in the labor force peaked in 2007. Between 2002 and 2007, the labor force grew by 4% annually, with a peak jump between 2006 and 2007. After 2007, the trends again follow the broader economy--the labor force dropped by 8% between 2007 and 2008. Since 2008, there has been a slight increase, 3%, in the labor force. Compared to other counties in the comparison area, Clay County's labor force tied with Macon County as the county with the third highest cumulative labor force growth—18% between 2000 and 2009. Of the comparison counties, only Jackson County, NC and Towns County, GA had a greater growth in labor force.

Chart 17: Labor Force Characteristics

Labor Force Characteristics



Source: NC Employment Security Commission

UNEMPLOYMENT TRENDS (*NOT SEASONALLY ADJUSTED*)

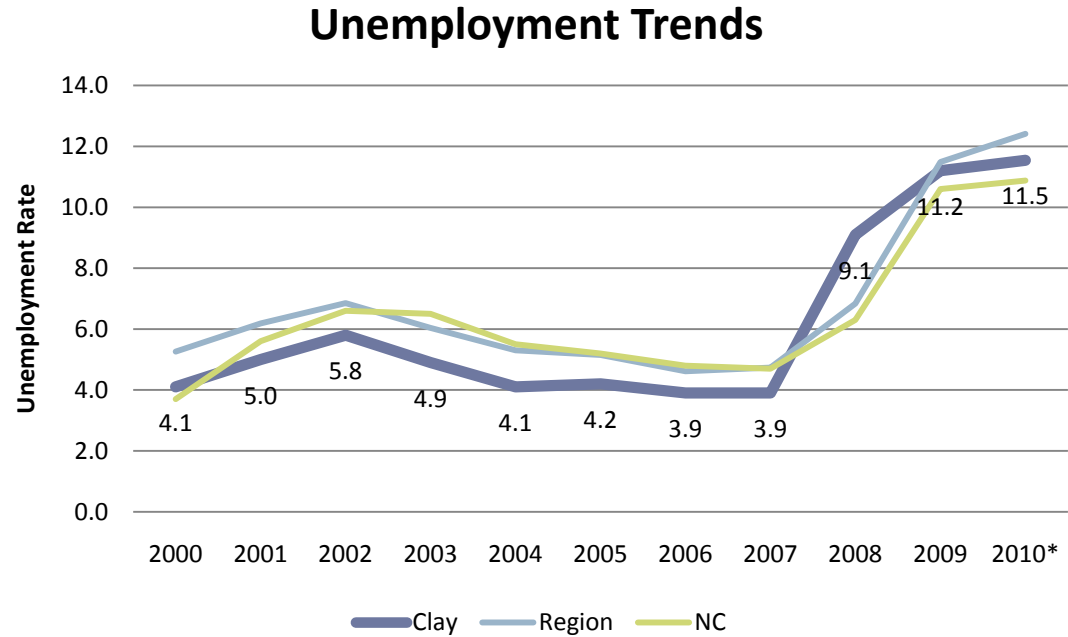
Prior to 2007, Clay County had a low unemployment rate. In fact, the rate was so low that it may be an indicator of underemployment²⁸. In general, a healthy unemployment rate is around 5%. From 2000 through 2007, unemployment ranged from a high of 5.8% in 2002 to a low of 3.9% in 2006 and 2007. The 2007 economic downturn did not present itself in unemployment figures until 2008, when Clay's annual unemployment rate jumped to 9.1%, a rate that was higher than the state and the region. The rate continued to climb to 11.2% in 2009, and was at 11.5% for the first five months of 2010. The biggest areas of job loss during this time were those that in some way connected to the housing industry, as will be shown in the next section.

Low Unemployment Interpretation

According to Sara Nienow, an Economic Development Policy Specialist with the NC Department of Commerce, a normal unemployment rate is around 5%. Ms. Nienow explained that unemployment is a natural occurrence and two types of unemployment occur in economies. When companies hire the wrong people or people accept positions and then leave, the resulting unemployment is frictional unemployment. This type of unemployment is normal and healthy because it allows employers to better align people with the right positions for their skills. There is also structural unemployment, which happens as industries phase out of existence. Manufacturing is a good example. In the end, structural changes can be good for the economy as resources find their use with the highest return, but in the short term, these structural changes can be devastating at a local level.

While a low unemployment rate seems to be a good thing, it can have drawbacks. Clay County had an unusually low unemployment rate from 2000 to 2007. There are implications for commuting patterns; workers overall may not have much of a problem finding 'any' job but may have to travel out of the county to find a really good fit for their skills. A tight labor market harms businesses because they have to take whatever labor they can get, regardless of quality, unless the jobs are so good that they can attract workers from outside the county.

Chart 18: Unemployment Trends



Source: NC Employment Security Commission

EMPLOYMENT SECTORS AND TRENDS

Employment data is collected and categorized under the North American Industry Classification System (NAICS). NAICS categorizes job areas from broad categories, known as a 2-Digit Classification to very specific categories, known as a 6-Digit Classification. For example, Construction is a 2-Digit Category. Under Construction is 23611—Residential Building Construction. Under this category is the 6-Digit Classification of 236118—Residential Remodelers. While the specific data is good to have, most categories below the 2-Digit Classification in Clay County are suppressed and unusable. Additionally, Data available from the NC Employment Security Commission and the US Bureau of Labor Statistics often contains suppressed data. Data is suppressed, or hidden, when it has the potential to identify an individual employer. For example, if there were only one contractor in the county, that company's information would be suppressed because one may easily connect the data to the individual company. Unfortunately, small counties like Clay County are unable to get complete data for all employment sectors due to suppression. Therefore, presented employment data in this plan at the 2-Digit Classification level.

The next set of data investigates Clay County's employment sectors and trends within those sectors. Three factors complicate providing a complete overview of Clay County's employment sectors.

First, as will be detailed in a later section, the county has a high number of people who either earn or supplement their primary income from non-employer business activity. Many involved with development, such as contractors and real estate agents, report their business activity as non-employer income. For example, according to the NC Employment Security Commission, the Real Estate, Rental, and Leasing occupational group employed only seven people in 1990. At the peak of the housing boom, the sector employed thirty-eight people. Many will most likely raise an eyebrow at these numbers. County residents know that there are many more than 38 people employed by the real estate industry, even after the 2007 economic downturn. Most real estate agents report their income as non-employer income and therefore their jobs are not accounted for in labor force statistics. Unfortunately, it is not possible to collate NC Employment Security Commission data with non-employer income data.

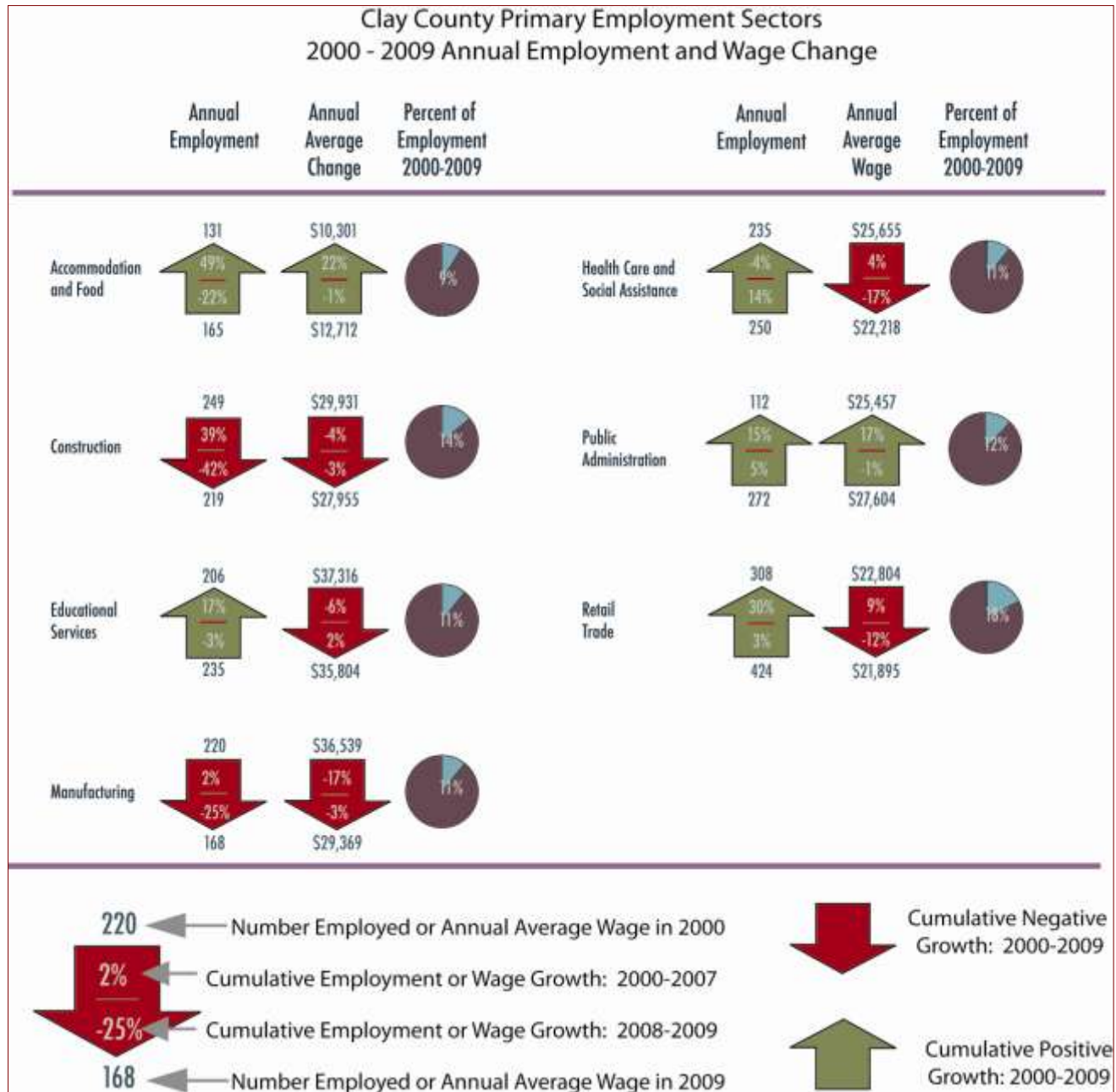
The second challenge results from the small size of some of Clay County's employment sectors. For example, in 2000, the information sector employed 28 people. By 2009, there were only 12 information employees, a 57% decrease between those years and a difference of 16 people. While a 57% decrease seems extreme, the information sector represents only 1% of total employment. It's not accurate to say that a 57% decrease is a dramatic shift in Clay County's overall economy when a sector is so small relative to total employment. Eight of Clay County's employment sectors represent 2% or less of total employment: Administrative and Waste, Information, Other Services, Professional and Technical, Real Estate Rental and Leasing, Finance and Insurance, Transportation and Warehousing, and Unclassified. This leaves the county with seven employment sectors for which trends can be accurately identified. Clay's primary employment sectors are Accommodation and Food Services, Construction, Educational Services, Health Care and Social Assistance, Manufacturing, Public Administration, and Retail Trade.

The third and final complicating factor results from the 2007 economic downturn. Dramatic shifts since 2007 in Clay's primary employment sectors skew the overall trends. For example, the cumulative employment growth for the Accommodation and Food Service sector between 2000 and 2007 is 49%; yet between 2008 and 2009, employment in this sector decreased by 22%.

Taking these factors into account, the following diagram and bulleted list provide a snapshot of Clay County's current employment landscape.

- Of the seven primary employment sectors, only two, Accommodation and Food Services and Public Administration, have overall employment *and* wage growth. The remaining five sectors have an overall decline in wages, employment, or both.
- The two sectors with negative employment growth, Construction and Manufacturing, both had a positive growth trend prior to the economic downturn.
- All sectors, excluding Health Care and Social Assistance, had a positive growth trend from 2000-2007.
- Overall, the growth in annual average wages is relatively steady from 2000 to 2009, with the exception of Accommodation and Food Services and Public Administration, which had positive growth, and Manufacturing and Retail Trade, which had negative growth.
- Overall, annual wages in Clay County are lower than wages in other areas.

Figure 4: Primary Employment Sectors



Source: NC Employment Security Commission, Bureau of Labor Statistics (Note: 2000 wages are adjusted to reflect 2009 dollars)

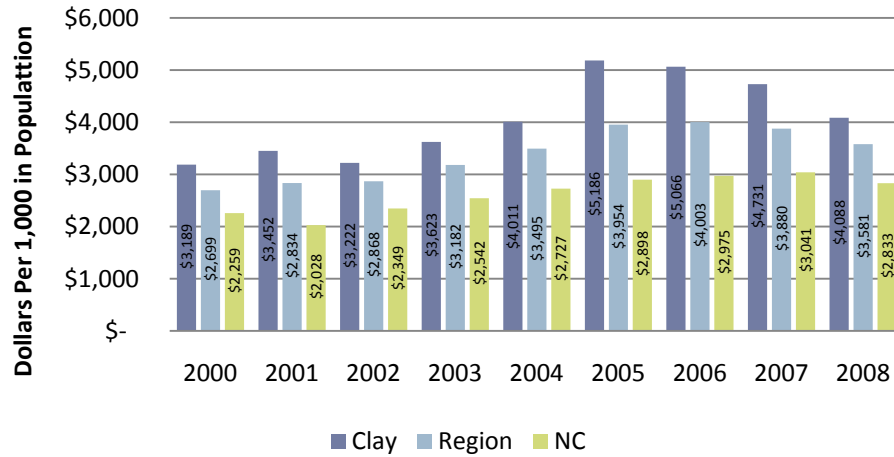
NON-EMPLOYER INCOME

There are many in Clay County who are self-employed on a full-time basis or who supplement their primary income with secondary self-employment income. Clay County residents may be forced to create their own employment opportunities, whether full-time or part-time, due to a relatively small employment base. Non-employer income data, compiled by the Internal Revenue Service (IRS), is available through the US Census Bureau. According to the Census Bureau, “Non-employer Statistics is an annual series of information about businesses without paid employees that are subject to federal income tax. Most non-employers are self-employed individuals operating very small unincorporated businesses, which may or may not be the owner's principal source of income.”

Chart __ illustrates that more non-employer income is generated in Clay County, per 1,000 in population, than the comparison area and the state. Only Towns County, GA consistently generates more non-employer income per 1,000 in population. In the early 2000s, Macon County generated more revenue from non-employer income, however, Clay County began outpacing Macon County in 2005. This is an important item to note, as it indicates a need for programs and activities that support those who run their own businesses.

Chart 19: Non-Employer Income

Non-Employer Income (in 1,000s)



Source: US Census Bureau

EMPLOYMENT PROJECTIONS

The NC Employment Security Commission compiles projection data through workforce development boards rather than for individual counties. The following chart shares employment projections for the Southwestern Workforce Development Board, which includes Clay County and the other far western counties in North Carolina. Like any other projection, it is difficult to predict with certainty the future employment prospects for the county. Perhaps even more than considering past trends and regional projections, employment prospects have to do with the overall economic climate – both regionally and nationally, as well as local decision-making and initiatives that help create, improve, and attract businesses.

Chart 20: Southwestern Workforce Development Board Projections			
Major Industry Group	Total Employment 2006	Total Employment 2016	Annualized Growth Rate
Natural Resources and Mining	740	620	-1.80
Manufacturing	6,060	5,850	-0.40
Goods-Producing	12,250	13,420	0.90
Information	600	660	1.00
Trade, Transportation, and Utilities	11,660	13,200	1.20
Financial Activities	2,130	2,470	1.50
Education and Health Services	15,180	18,070	1.80
Government	8,060	9,620	1.80
Other Services (Except Government)	2,670	3,180	1.80
Services-Providing	53,420	64,390	1.90
Leisure and Hospitality	8,840	11,170	2.40
Construction	5,450	6,950	2.50
Professional and Business Services	4,280	6,020	3.50
Source: NC Employment Security Commission			

EDUCATIONAL ATTAINMENT

A skilled workforce is one that is well educated or one that has accessed higher education for job training or retraining. The US Census Bureau reports educational attainment for the portion of the population that is twenty-five years old and above. Clay County's educational attainment profile is similar to that of the region. In 2000, 76% of the population had at least a high school diploma or higher, i.e. 24% were without a high

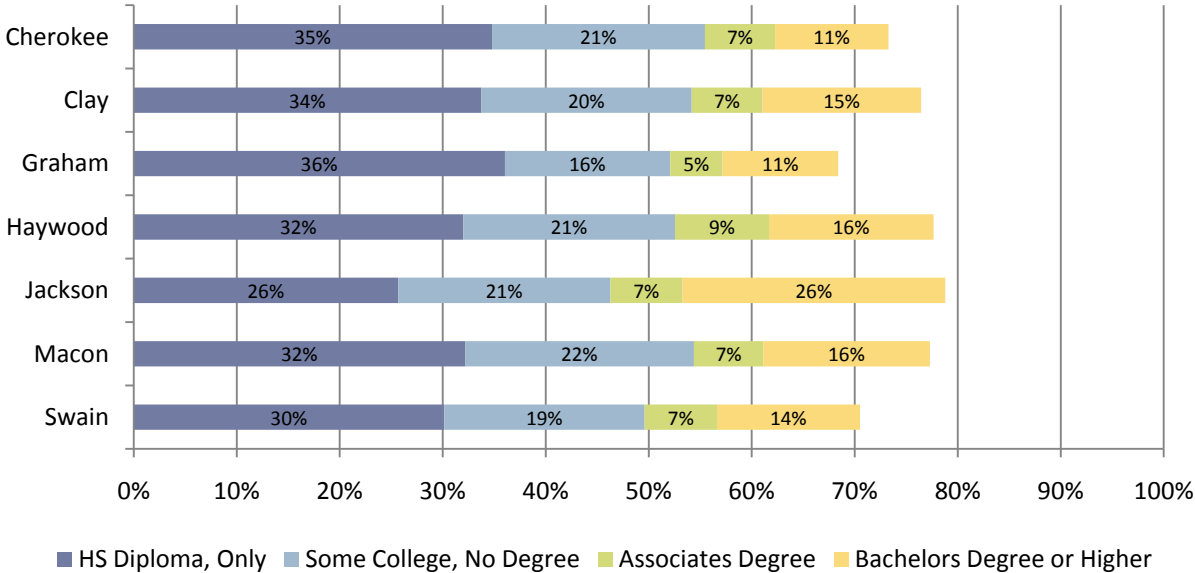
school diploma, which is close to the 75% regional average. The number of adults with a high school diploma or higher is projected to increase slightly in 2009 to 80% for Clay County and 79% for the region. In 2000, 78% of North Carolina's population held at least a high school diploma. By 2009, 82% of North Carolinians are projected to have at least a high school diploma. When companies look for areas to locate, they pay close attention to the level of higher education attainment, particularly bachelor's degrees or higher. In 2000, only 15% of Clay County's population above age 25 had a bachelors or higher degree, which was on par for the region (16%) and the state (15%). The gap between the Clay County and the region's level of attainment and the state's attainment rate widens with the 2009 projections, where Clay County's and the region's portion of the population with bachelors or higher degrees is 17%. This is below the state's level of attainment of 25%. The relatively low number of adults with a bachelor's degree or higher does not mean that young people in Clay County are not going to college. As noted earlier, many of Clay County's working age population leave the county for other opportunities.

Increasing the number of college-educated people in the county is a catch-22. In order to attract businesses to the county, the county needs a college-educated workforce. In order to retain and attract people with professional degrees, there must be quality employment opportunities. Until employment opportunities in the county are broadened, and thereby making the county more attractive to those with education beyond a high school diploma, the solution for Clay County may lie in a targeted effort that links those without an associates or bachelor's degree to one of the many higher education opportunities available in the region.

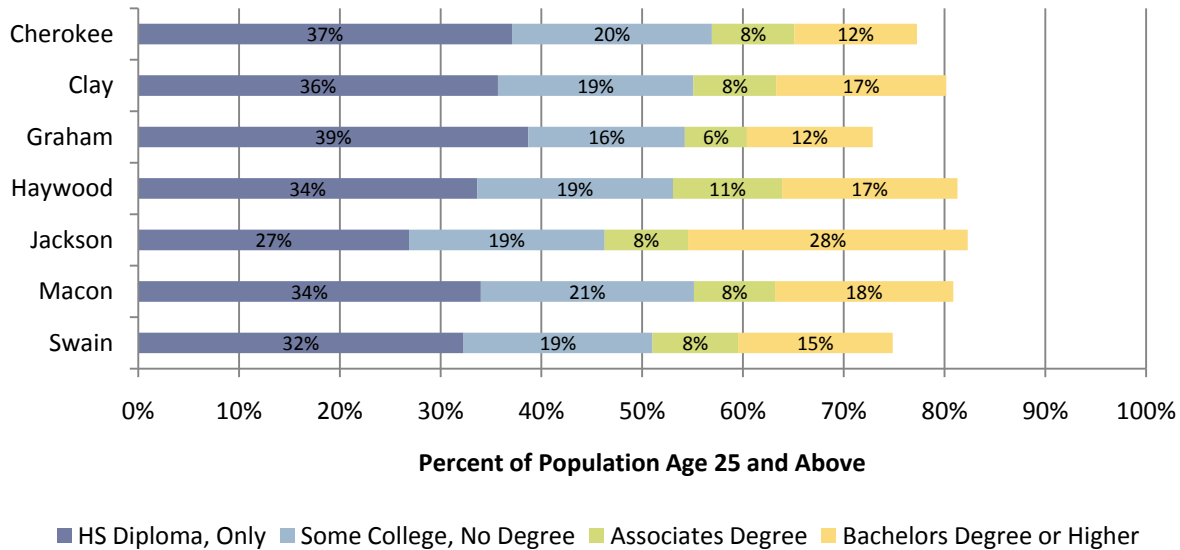
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Chart 21: 2000 and 2009 Educational Attainment

2000 Educational Attainment



2009 Educational Attainment



Source: US Census Bureau, NC Economic Development Intelligence System (EDIS)

INCOME DATA

Chart __ presents income characteristics for Clay County and the comparison area, excluding Towns County, in three ways—median family income, per capita income, and median household income. Median Family Income (MFI) and Median Household Income (MHI) are annual income figures. Unlike per capita income, which is an average, the median divides income distribution into two equal parts: one-half below the median income and one-half above. MFI and MHI is based on the distribution of the total number of families or households, including those with no income. The difference between MHI and MFI is defined by the Census Bureau. Median household income considers all households, including households of one or households of two unrelated, unmarried persons, while family income only takes households with two or more persons related through blood, marriage, or adoption into account²⁹. The Bureau of Economic Analysis (BEA) calculates per capita income (PCI) by dividing the personal income of the residents by the population of that area as of July 1 for the reference year—this data is available through EDIS.

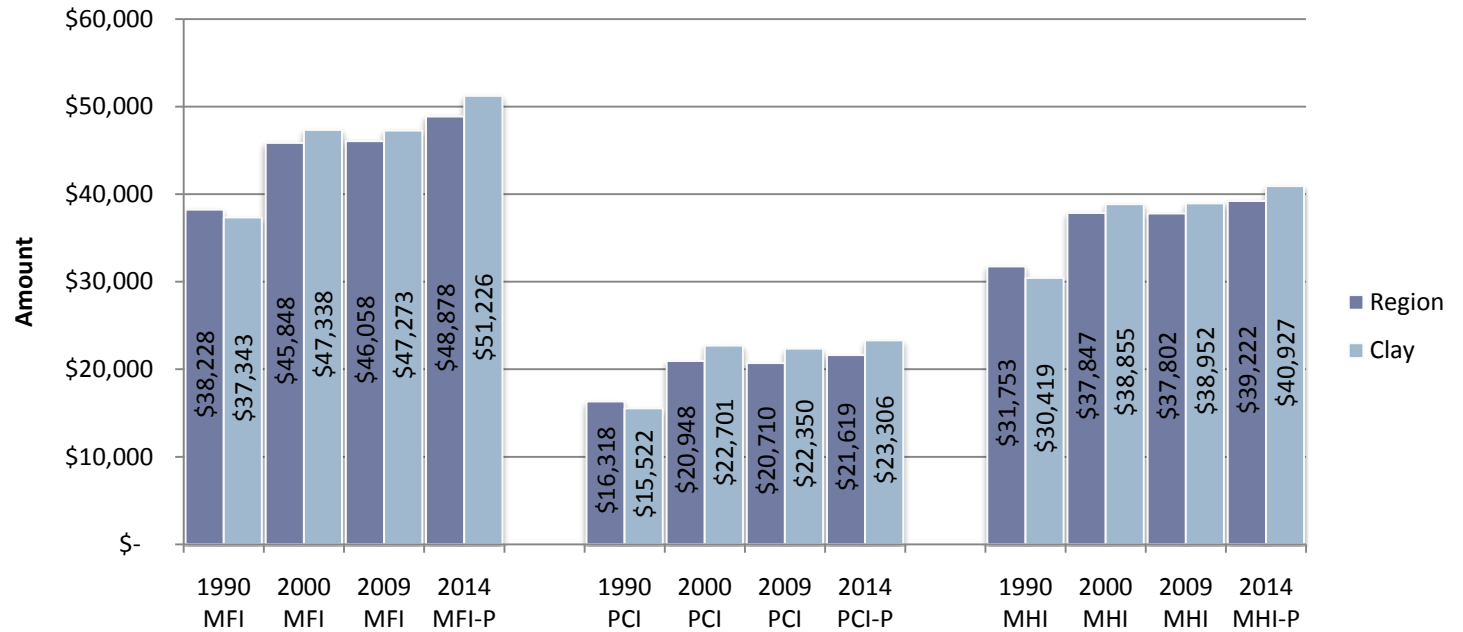
In 1990, Clay County lagged behind the region in MFI, PCI, and MHI. This trend reversed in 2000 and 2009 and projections indicate that this trend will continue in 2014. While Clay County fares comparatively well to counties in the region, both the incomes in the county and the region

²⁹ <http://www.census.gov/dmd/www/glossary.html>

lag behind North Carolina. In 2009, North Carolina's MFI, PCI, and MHI was \$60,434, \$25,989, and \$51,418, respectively. Gains in income and personal wealth will only be realized when Clay County's annual average wages are increased across the board. To close this gap, economic development goals should aim to align the each employment sector's annual average wage to a level that is comparable to North Carolina's annual average wages for those same sectors.

Chart 22: Income Characteristics

Income Characteristics



Source: US Census Bureau, 1990, 2000, NC EDIS, Bureau of Labor Statistics.

1990 and 2000 amounts are adjusted to reflect the 2009 dollar value. MFI – Median Family Income; P – Projected; PCI – Per Capita Income; MHI – Median Household Income

LARGEST EMPLOYERS

The North Carolina Employment Security Commission maintains a record of each county's twenty-five largest employers, the industry they represent, and the range of employees in each business. Table __ lists Clay County's 2009 major employers while Table __ lists 2003's major employers. Chart __ illustrates the industry grouping difference between 2003 and 2009. Clay County is similar to other counties in western North Carolina in which the county government and the schools systems are among the largest employers. Another similarity between Clay and other counties, particularly the smaller counties like Graham and Swain, is the lack of large employers. In Clay County, only one for-profit employer is in the 100-249 employment range. Most of the largest employers employ less than fifty people. This is one more indicator that services for small business operators is greatly needed to ensure a successful economic development program.

2009 25 Largest Employers			2003 25 Largest Employers		
Rank	Company Name	Employment Range	Rank	Company Name	Employment Range
1	Clay County Board Of Education	100-249	1	Clay County Board Of Education	100 - 249
2	County Of Clay	100-249	2	County Of Clay	100 - 249
3	Ingles Markets Inc	100-249	3	Centennial Healthcare Corp	100 - 249
4	Coleman Cable Inc	50-99	4	Cottage Complex	50 - 99
5	Clay County Healthcare LLC	50-99	5	Coleman Cable Inc	50 - 99
6	Advanced Digital Cable Inc	50-99	6	Advanced Digital Cable Inc	50 - 99
7	Henson Building Materials	50-99	7	Ingles Markets Inc	50 - 99
8	Roaring Line LLC	Below 50	8	Kelley's Home Health Services	49 - Below
9	Phoenix Supported Living Inc	Below 50	9	Jacky Jones Ford	49 - Below
10	Cottage Salad Station Market & Deli	Below 50	10	N C Department Of Tport	49 - Below
11	Phoenix Home Health Care Inc	Below 50	11	Blackhawk Industries Inc	49 - Below
12	Cox & Son Roofing Inc	Below 50	12	Hayesville Hardware	49 - Below
13	Jacky Jones Ford	Below 50	13	Jacky Jones Chrysler Plymouth	49 - Below
16	U S Postal Service	Below 50	14	Chatuge Family Practice	49 - Below
16	N C Department Of Tport	Below 50	16	Cottage Bakery	49 - Below
16	Gevity Hr V LP T/A Trinet	Below 50	16	Wildhorse Development Corporation	49 - Below
20	Colwell Construction Company	Below 50	22	U S Postal Service	49 - Below
20	Jacky Jones Chrysler Plymouth	Below 50	22	Cox & Son Roofing Inc	49 - Below
20	Kerr Drug Inc	Below 50	22	Dorman Heating & Cooling Inc	49 - Below
20	Bridging The Gap In-Home Aide Sves	Below 50	22	Buckhorn Lumber & Wood Products Inc	49 - Below
21	Clay County Rural Development	Below 50	22	United Community Bank	49 - Below
24	Hayesville Well Drilling	Below 50	22	Gevity Hr V- LP	49 - Below

24	Smith Power Equipment	Below 50	23	Dermox Inc Of W Va	49 - Below
24	Mountain Home Nursing Service Inc	Below 50	25	Clay County Rural Development	49 - Below
25	United Community Bank	Below 50	25	Miller Well Drilling Inc	49 – Below

Source: NC Employment Security Commission **Note: Tport = Transportation**

ECONOMIC DEVELOPMENT PROGRAM

In recent decades, North Carolina and Clay County’s traditional industries--manufacturing and agriculture--have dramatically declined. In more recent years (from 2000 forward), the void left by the exit of the traditional employers was filled with employment opportunities centered around the real estate development industry, which includes the person who clears the land on up to the person who sells the couch for the new living room. When Clay County’s economy took a turn for the worse in 2007, very few employment sectors went unscathed. Nobody knows when or if the real estate development industry will pick up to its previous level. The important lesson gleaned from this recent downturn is that the county’s economy must diversify in order to withstand economic storms. Herein lies the economic development challenge for Clay County—how does the county build its economic base and assist its residents with employment opportunities without being dependent upon one or two industries? The following sections outline the building blocks of an economic development program that, if carried out, will assist Clay County in meeting this challenge.

MAXIMIZE EXISTING ECONOMIC DEVELOPMENT RESOURCES

A wide variety of economic development programs and resources are available to enhance the county’s economic development efforts. While the following list is not exhaustive, it covers the most common and effective resources that stimulate economic development in the county, region, or state.

Program Name	Description or Mission
21 st Century Program	Clay County is a designated 21 st Century Community. This program, administered by the NC Department of Commerce, provides technical assistance to communities to support the expansion of broad-based and economic development plans and initiatives.
AdvantageWest	AdvantageWest Economic Development Group is western North Carolina's regional economic development commission. Its primary focus is marketing the North Carolina mountains to corporations seeking to start a new facility, expand an existing business within the region, and those who might otherwise improve their lives for citizens within the region through activities such as filmmaking, entrepreneurship and tourism.
Blue Ridge Mountain Electrical Membership Corporation (BRMEMC)	BRMEMC provides assistance to businesses and industries through responsible development of existing facilities, recruitment of new industries, and in working with the various agency partners at the local level within the region.

Clay County Communities Revitalization Association (CCCRA)	CCCRA’s mission is, “to serve as a catalyst to bring forth a cooperative, creative spirit within Clay County that enables us to reclaim and preserve our unique mountain heritage and natural resources, create new jobs and provide opportunities, and to encourage economic growth and prosperity - today and tomorrow.”
Clay County Chamber of Commerce	The mission of the Clay County Chamber of Commerce is, “to sustain and further develop a thriving economy and to enhance our community's quality of life. To achieve this, the Chamber divides its work among special events, business after hours, and community involvement while keeping an eye toward economic expansion and a better quality of life.”
Clay County Rural Development Authority	The Clay County Rural Development Authority was created to conduct rural development activities throughout the county. To date, their primary activity has been the construction and operation of the Chatuge Shores Golf Club. Their charter enables would enable them to engage in economic development activities if they should choose to do so.
General Economic Development Allies	A variety of private commercial interests and other local government interests are involved in the economic development process. All should come to the table to collaborate on some level with the economic development efforts described in this chapter. Examples include: banks and financial institutions, Clay County Schools, colleges and universities in the region, professional firms (lawyers, architects, engineers), the real estate and development industry, and telecommunication companies
Historic Hayesville Merchants Association (HHMA)	HHMA is an association of merchants and business owners with a vested interest in the Historic Hayesville. This group works to promote Historic Hayesville’s businesses and is a partner in Historic Hayesville’s revitalization efforts.
NC Department of Commerce	The NC Department of Commerce had a plethora of programs and resources to assist all types of business. Services are grouped and targeted toward business start-ups, existing business support, business location, and business development.
NC Rural Economic Development Center (Rural Center)	The Rural Center’s mission is to develop, promote and implement sound economic strategies to improve the quality of life of rural North Carolinians...with a special focus on individuals with low to moderate incomes and communities with limited resources.
Southwestern Commission	The Southwestern Commission coordinates programs for local governments in North Carolina’s seven westernmost counties. The Commission’s program areas include community and economic development, transportation planning, workforce development, and human services and aging, among others. The Commission also coordinates activities that strengthen the entire region’s economic position.
Southwestern Workforce Development Board; JobLink Career Center	Southwestern Workforce Development Board is a business-led board that is charged with creating a world class workforce in Southwestern North Carolina. The area's JobLink Centers are the service provider for employers and jobseekers in the region.
Tri-County Community College	See the Workforce Development Section below.

ROLE OF ELECTED OFFICIALS (COUNTY COMMISSION)

THE *North Carolina Economic Development Association's Economic Development Handbook* provides an overview of the role of elected officials play in the economic development process. The overview is summarized below:

1. Financially support professional economic development organizations to support ED. A sample of costs incurred may include administration, staff, travel, technology, client recruitment, research, advertising/marketing, and office space.
2. Invest in infrastructure—water, sewer, electricity, telecommunications (especially broadband and digital wireless networks), the industrial park, and transportation networks.
3. Provide incentives.
4. Help existing industries create new jobs and to expand (retention and expansion). Establish a formal program of activities for existing industries (e.g. existing business visitation, resource identification, infrastructure improvements)
5. Build a competitive business environment in the form of incentives and infrastructure, but also in the form of an attractive community that promotes workforce development, quality education, reasonable tax and utility rates, and an effective planning and permitting process that is not burdensome to comply with regulations
6. Protect the public's investment by ensuring that public funds are spent prudently and the investment in economic development provides a net benefit to the county.

WORKFORCE DEVELOPMENT

Workforce development services are delivered through Tri-County Community College and the Southwestern Workforce Development Board, which operates out of the Southwestern Commission in Sylva, NC.

According to the Tri-County Workforce Development and Continuing Education Division, the college, “assists industries by customizing educational programs and training courses for their employees. Our staff is available to assess, design, and implement appropriate courses to meet the needs of industry.” Tri-County operates several workforce programs, which include:

- **JobNow Program:** Job training for individuals.
- **In-Plant Training Skills Programs:** Helps new employees develop entry-level skills or job retraining for those whose jobs have changed due to new equipment, processes, or products.
- **Focused Industrial Training:** Focused Industrial Training’s (FIT) primary purpose is to furnish customized courses designed to meet the particular needs of the company and the occupation. These courses are designed to allow courses to be taught for the industry without concern for the usual constraints (minimum class enrollment, instructor salary, etc.) that regular occupational courses have.
- **New and Expanding Industry Training:** The program provides for the training needs of new industries that are moving into the state and also for existing industries undergoing a major expansion which result in the need for additional skilled manpower. In cooperation with the Industrial Services Division of the North Carolina Community College System, Tri-County Community College will design and administer a special program for training the production manpower required by any new or expanding industry that will create new job opportunities for people in the area. Much of this retraining can be accomplished during the early development of the new plant facility. Some of the services offered through this program include:
 - Selection and training of new company instructors.
 - Payment of instructor’s wages to the company for the duration of the training program.
 - Assumption of installation costs of new equipment in the temporary training facility.
 - Consultation in determining job descriptions.
- **Human Resources Development:** The Human Resources Development (HRD) program offers Personal and Professional Development Skills courses. Over the last few years, a growing trend has been to make HRD training more accessible to a broader customer base. Now, HRD customers are being defined as job, education and/or training seekers. Instruction and counseling are provided to participants in order to assist them in furthering their education and/or in obtaining employment. Classes on resume writing and job interviewing skills are offered at the Tri-County Job Link.
- **Management Training:** These programs develop the potential and improve the performance of managers through skills training.
- **Customized Training:** Tri-County Community College can design customized training programs to address the training needs of local industry. Training can be developed in these and other areas: Team Building, Total Quality Management, Frontline Supervision, ISO 9000, Customer Service, CPR Certification, Computer Training, OSHA Training, Safety Training, First Aid Certification

The Southwestern Workforce Development Board (the Board) brings a wealth of workforce resources to Clay County and the region. In addition to serving as the region’s labor force data center and regional workforce coordinator, the Board’s services are listed below and can be reviewed in detail in the *2008 Southwestern Workforce Development Board Annual Report*.³⁰

- **Provide Business Services** that include an programs for incumbent workers, a rapid response program, job profiling, and resources, reports and studies to support the areas businesses.

³⁰ <http://www.regiona.org/PDF%20Files/WDB%202008%20Annual%20Report.pdf>

- **Assist JobLink Career Centers** by publishing the JobLink Directory, conducting JobLink Re-Chartering, and compiling the JobLink Activity Report.
- **Administer Workforce Investment Act Programs** that include Case Managers Recognition, Youth Program Recognition, and Career Readiness Certificates.
- **Coordinate Special Projects and Regional Endeavors**, examples of which include the WNC Livestock Market, the WNC EdNet Project, and the Mountain Landscapes Initiative

This network of workforce development resources more than meets the needs of the county. What is lacking is individual awareness, and possibly even business and local government awareness, of these activities. Therefore, the county's strategy should be to maximize, support, and advertise the resources available to individuals and businesses.

ORGANIZING FOR ECONOMIC DEVELOPMENT

In recent times, the county has not had a *formal* group appointed to shape the county's economic development efforts. The County's past and current economic development activities, such as founding the industrial park and the recently created business support resource guide, have been and continue to be guided by an informal group of stakeholders. These stakeholders include the County Manager, Blue Ridge Mountain EMC's Economic Developer, staff from the Small Business Technology and Development Center at Western Carolina University, the Chamber of Commerce, and those involved in workforce development at Tri-County Community College, among others. Additionally, Clay County is addressing some of its economic development needs through the North Carolina Department of Commerce's 21st Century Communities Program, which has involved a variety of people from the private sector in addition to the stakeholders named above. In a less traditional role, the Clay County Communities Revitalization Association (CCCRA), in partnership with HandMade in America, and the Historic Hayesville Merchants Association carry out economic development activities that are less traditional, such as downtown development, heritage tourism promotion, and community events.

While the informal stakeholders have had some success, today's economic conditions indicate a need for a formal economic development program that has decision-making authority and funding. Just as Clay County needs a formal program to operate its water and sewer resources, or its emergency management program, Clay County needs an economic development program establish and to advance its economic development goals. The following table points out the three most common economic development structures used by local governments in North Carolina.

The 21st Century Economic Development Planning group weighed the pros and cons of each economic development organizational structure. Based on their research and discussion, the 21st Century group recommends the Clay County Board of Commissioner create and financially support an Economic Development Commission (EDC) that receives support from County staff. They also recommend that the EDC's membership incorporate the broad base of organizations and leaders currently involved in county economic activities. Finally, there was discussion related to the advantages of a non-profit economic development entity—mainly the advantage of grant opportunities only available to non-profits. In the end, however, the group concluded that the non-profit benefits could be obtained though alternative methods, such as partnering with an exiting non-profit or eventually forming a non-profit under the EDC's umbrella.

Economic Development Structure	Characteristics
County Staff/Department	<ul style="list-style-type: none"> • Person reports to the County Manager, high amount of local government control • May not be able to respond as quickly • Limited private sector involvement • Must operate under public sector laws and regulations
Economic Development Commission	<ul style="list-style-type: none"> • Members are appointed by County Commissioners • Acts with some independence from the county Government • Allows for business leaders to be involved • Commissions can cross boundaries (e.g. Hayesville, Cherokee County) • Cannot own property and therefore can't take advantage of some incentives
Economic Development Non-Profit	<ul style="list-style-type: none"> • Limits role of County Government to that of providing financial support and appointing some (or all) board members. • Permits the involvement of the business community • Permits the cooperation with other jurisdictions • Allows for property ownership, can act as a developer • Can raise and spend private sector funds outside of regulations that govern public sector funds
<p>Source: Morgan, J. Q., & Lawrence, D. M. (2007). <i>Economic Development. In U. S. Government, County and Municipal Government in North Carolina</i> (Article 26). Chapel Hill: UNC School of Government.</p>	

Regardless of the structure selected, the aims of the organization are the same: to attract or create private investment that expands the county's tax base; to increase employment opportunities, wages, and personal incomes; and to increase overall wealth in the county. Honing in on these aims is, in large part, going to require a new mindset that reframes how Clay County approaches economic development. For example, the county has some excellent selling points that, when properly developed and marketed, will present Clay County as an attractive business destination. Clay County can also assist in reframing how people approach work. For example, until Clay County is able to build a diverse employment base, the Clay County Transportation can assist people with transportation to regional employment centers.

ECONOMIC BUILDING BLOCKS

Once the economic development organization is established, they will need to strategically begin strengthening Clay County's economy. The next sections outline the strategic economic development building blocks that will assist the economic development organization accomplish the county's overall economic development goals. The building blocks include diverse economic development efforts that aim to strengthen and grow existing industry, take advantage of regional opportunities and emerging industries, support small business and entrepreneurship, maintain and enhance the county's quality of life, revitalize Historic Hayesville, and enhance the county's tourism development efforts. Together, the building blocks strengthen and grow Clay County's employment base.

BUILDING CLAY'S ECONOMY THROUGH ECONOMIC INFRASTRUCTURE

Economic infrastructure describes the components that support the county's business climate. These are the factors often evaluated by business and site selectors. The *NC Economic Development Handbook* lists the top twelve features site selection companies evaluate during their selection process. Below is a listing of each factor and a brief note highlighting Clay County's strengths or areas for improvement. Overall, Clay County has strengths to market to industry selection firms and businesses. Some assets, such as the industrial park and the newly adopted business incentive plan, are in place, and others, such as availability of buildings and competitive wages, need significant investment before marketing as an asset.

North Carolina's Tier Ranking System

The N.C. Department of Commerce annually ranks the state's 100 counties based on economic well-being and assigns each a Tier designation. The 40 most distressed counties are designated as Tier 1, the next 41 as Tier 2 and the 19 least distressed as Tier 3. This Tier system is incorporated into various state programs to encourage economic activity in the less prosperous areas of the state. Clay County has been a Tier 1 since NC Commerce began the ranking system in ____

Highway Accessibility

At first glance, it appears as if Clay County does not have good highway access. A closer look reveals that the county is within a 2 to 3 hour driving distance of eight major interstates, including Interstates 75, 24, and 59 accessed through Chattanooga, TN; Interstate 81 accessed through Knoxville, TN, Interstates 85 and 20, accessed through Atlanta, GA or Greenville, SC, and Interstates 40 and 26, accessed through Asheville. Clay County is literally in the center of this ring of Interstates. Map __, the regional context map, illustrates this ring. Future transportation planning should focus on freely flowing access to this interstate network.

Labor Costs

Labor costs in Clay County are similar to those in the region, but are lower than wages paid across the state. While this may be interpreted as a competitive advantage, it is important to remember that one overall economic development goal is to increase individual economic wealth. Clay County should not use its low wages as a selling point. It should, at the very least, attempt to increase its wages so that they are on par with the state's average wages. Site selectors across the county have identified North Carolina's wages as competitive.

Construction Costs and Occupancy

When working with companies and site selectors, the NC Department of Commerce uses the RSMeans Construction Index³¹ to evaluate construction costs of one metropolitan area to another. According to the 2010 RSMeans Construction Cost Index, the national average is 100. The Index scores for the metropolitan areas surrounding Clay County are: Asheville, NC, 75.3; Chattanooga, TN, 84.6; Knoxville, TN, 80.2; Greenville, SC, 76.2; and Atlanta, GA, 88.8. Murphy, NC had an index score of 68.5. While an individual score is not available for Clay County, it is likely that Clay County has competitive construction costs that are below the national average, and most likely close to Murphy's score of 68.5.

The *Historic Hayesville Market Analysis* offers the only readily available occupancy data costs. The *Market Analysis* indicates that the sales to rent ratio in the Historic Hayesville area is low when compared to other small towns similar to Hayesville. Whether this trend is replicated beyond Historic Hayesville can only be determined with further research that is beyond the scope of the CCCP.

Availability of Skilled Labor

See educational attainment and workforce development sections.

State and Local Incentives

Counties in NC have a variety of state incentives available to them, many of which have special provisions for Tier 1 counties such as Clay County. The statewide incentives include: tax credits, discretionary programs, cost-saving programs, sales and use tax discounts, exemptions and refunds, and recovery zone bonds. A full description of incentives can be found on the NC Department of Commerce's website. One-on-one assistance from a NC Commerce economic development professional with detailed knowledge of the benefits and resources is available through Commerce's Business and Industry Division. National surveys and publications commend NC's business climate for its competitive business incentives, its policies and programs, and its overall friendly business climate.

The Clay County Board of Commissioners recently adopted a local business incentive policy to promote "diversified economic development, encourage growth in the property tax base, improve recruitment of business and industry and to enhance job creation." Business must create new capital investment and create jobs to be considered for the incentive program. A number of parameters are considered before a company is eligible. The incentive is in the form of a grant from the county and depends upon the amount of investment. Companies receiving the incentive sign a compliance document that details agreed-upon performance criteria. A copy of the incentive policy is attached to this document as Appendix ___.

³¹ <http://www.rsmmeans.com/about/index.asp>

Corporate Tax Rate

Corporations in Clay County are subject to North Carolina's corporate tax rate. North Carolina's corporate tax rate of 6.9% is slightly higher than rates in surrounding states. The corporate tax rates in surrounding states are 6% in Georgia, 6.5% in Tennessee, and 5% in South Carolina. It is important to note that the corporate tax rate is just one taxing factor that companies consider when selecting a location. The NC Department of Commerce has a wide variety of taxing information³² available on its website.

Low Union Profile

The major industries in Clay County are not unionized, and the presence of unions in Western North Carolina is minimal.

Available Land

As documented in the Land Stewardship section of this report, Clay County has plenty of land that available for business and industrial use, however, not all of that land has adequate infrastructure. Fortunately, the Clay County Industrial Park will be able to support the county's next 10 years of industrial growth once it is serviced with complete infrastructure.

Availability of Buildings

While the Clay County government does not own buildings suitable for economic development purposes, privately owned vacant buildings can be found along the county's commercial corridors. Some of these buildings may be appropriate for rehabilitation or upfitting. Clay County should consider conducting an available building inventory to supplement its economic development marketing activity.

Proximity to Major Markets

This is one of Clay County's most marketable assets. As illustrated on the Regional Context Map, the county is within a 2 to 3 hour drive from five major markets—Chattanooga and Knoxville, TN, Asheville, NC, Greenville/Spartanburg, SC, and Atlanta, GA.

³² <http://www.nccommerce.com/en/BusinessServices/LocateYourBusiness/WhyNC/Taxes/>

BUILDING CLAY'S ECONOMY THROUGH STRENGTHENING EXISTING INDUSTRY

Strengthening and growing a diverse economy requires a combination of building on the industry assets that exist as well as developing new industry sectors. *Creating and Entrepreneurial Environment for Clay County*³³ is a report compiled by the county's economic development leaders. The report identifies strategies targeted at strengthening businesses in Clay County. The report states, "it is imperative that exiting businesses receive adequate support and counseling from the community to ensure their viability, competitiveness, and continued operational success." The CP's Economic Development Action Plan incorporates action items from the report.

BUILDING CLAY'S ECONOMY THROUGH REGIONAL OPPORTUNITIES

In a time where competition for economic development is global rather than local or regional, communities are realizing that economic success comes from regional efforts, rather than competing for growth and development with their neighbors. The Regional Context Map (Map ___) details the economic development clusters that the five nearby metro areas have developed or are developing. Due to its position, Clay County has the opportunity to capture some of this business activity. Capturing a portion of the region's economic activity is not possible unless there are intentional efforts to stay abreast on business activities of the metro areas and to build relationships with leaders in these areas. It will also require that economic development leaders travel to the metro areas to market Clay County as an ideal location for existing businesses to further their business growth plans. Examples of opportunities include: available land for expansion opportunities; location as a mid-point between metro areas-- ideal for transportation and warehousing activities; a supply source for food related industries--restaurants, institutions, food processors. Clay County can also market its regional location to business outside of the metro areas, for example, economic development leaders can advertise the county's proximity to major markets as a strategy to attract new businesses. Additionally, economic development leaders can work with existing business in order to increase their access to the regional markets.

BUILDING CLAY'S ECONOMY THROUGH EMERGING INDUSTRIES

The green economy, green collar jobs, and green industry are terms that describe business activities, practices, and jobs that are not harmful to the environment. This rapidly expanding market presents a variety of opportunities for Clay County. Clay County can position itself as a leader by developing initiatives around this market. The 21st Century working group has identified a number of green economy opportunities and projects that can enhance Clay County's economic development efforts. These include:

- Identify and take advantage of green funding opportunities that are becoming more readily available
- Link current business owners to funding opportunities (e.g. North Carolina's Green Business Fund) or encouraging green business owners outside of Clay County to locate in Clay County.
- Establish links between existing businesses and opportunities to produce and/or develop green commercial products.
- Work with regional higher education institutions to promote opportunities for technical based training that contributes to the green economy (weatherization, energy audits, solar panel installation, etc.). For example, Tri-County Community College recently received a grant from the Appalachian Regional Commission, through the Southwestern Commission, to purchase equipment for a program that trains automotive technology students to employ environmentally friendly practices.
- Encourage business to capitalize on the emerging clusters of bio-related industries in the metro areas. For example, Asheville has an emerging natural products industry and Greenville has an emerging bio-pharma industry.

³³ <http://claycountycomp.files.wordpress.com/2009/02/creating-and-ent-enviro.pdf>

- Explore and pursue business enterprises and production that relate to renewable energy, including wind and solar.
- Work to maintain and enhance the link between agricultural operations and the green economy.

BUILDING CLAY'S ECONOMY THROUGH SMALL BUSINESS AND ENTREPRENEURSHIP

As demonstrated in Chart ____, over four-million dollars flowed through Clay County's economy from those who are self-employed. Additionally, only seven employers in Clay County employ more than fifty people. Small businesses, and even micro-businesses (those with five or fewer employees), are the lifeblood of Clay County's economy. Whether the small business owner is a general contractor, a retail merchant, or an artist, each small business owner and entrepreneur adds strength to Clay County's economy, and any comprehensive economic development strategy must reach out to and support these business owners—both those who are starting out and those who have been in business for a number of years. Economic development leaders should engage in activities that strengthen the capacity of small business so they can grow in a sustainable way and continue to generate employment for County residents. Many of the actions outlined in the *Creating and Entrepreneurial Environment for Clay County* and the *Historic Hayesville Market Analysis* are designed to specifically help small businesses and entrepreneurs. Other avenues to explore not covered in these reports include:

- Establish a micro-enterprise assistance program³⁴ that includes business training, technical assistance, and low-interest financing.
- Actively working to close the gaps in the county's broadband infrastructure.
- Become a Certified Entrepreneurial Community through AdvantageWest's program³⁵.

BUILDING CLAY'S ECONOMY THROUGH MAINTAINING AND ENHANCING THE COUNTY'S QUALITY OF LIFE

Quality of life is one of the greatest assets Clay County can offer to new businesses. Quality of life in the county influences the county's ability to attract and retain a talented workforce, and thereby the county's ability to retain and attract employment and basic industries. What constitutes quality of life is extremely broad, yet enhancing quality of life is one of the overall goals of the CCCP. Clay County has many attributes that residents and newcomers seek in a community, including a reasonable cost of living, excellent schools, low taxes, recreation opportunities, access to metro markets, and small-town character. However, the addition or enhancement of some quality of life amenities will make Clay County more attractive to potential employers and young professionals, the group that Clay County has the most difficulty attracting and retaining. These amenities include:

- Promotion of a variety of housing options to accommodate a range of groups, from executives to young professionals; and plan for an adequate supply of workforce housing.
- Creating a strong open space and trails/greenway network that includes bicycles paths.
- Enhancing overall recreation programming.
- Offering art, cultural, and entertainment options that appeal to a range of residents.
- Supporting efforts among local organizations to reach out to and include young people.

BUILDING CLAY'S ECONOMY THROUGH DOWNTOWN REVITALIZATION

³⁴ See Mountain BizWorks for program examples: <http://www.mountainbizworks.org/index.php>

³⁵ http://www.advantagewest.com/content.cfm/content_id/227/section/entrepreneur

Historic Hayesville is a social, cultural, and economic asset to the community. Revitalization of Historic Hayesville, particularly the restoration of the Historic Clay County Courthouse, has enormous economic development potential. Collectively, businesses within a one-mile radius of the Courthouse employ over 700 people and generate over \$4.5 million in sales. The economic impact and potential of Historic Hayesville area is thoroughly explored in the *Historic Hayesville Market Analysis*, the result of a side-project of the overall comprehensive planning process. The *Market Analysis* provides detailed economic data about the Hayesville area and it offers a set of strategies leaders can implement to revitalize the area.

DRAFT

Attracting Young Professionals

One of the most often mentioned concerns during the community input process was the lack of opportunity for young people/young professionals to live in Clay County. Clay County is not unique in this struggle. Small, rural, communities across the country want more young people—generally those who are in their 20s, 30s, and 40s—to live in their community. People in this age range bring balance to a community, yet people gravitate toward communities with greater employment choice as well as areas that offer a variety of arts, culture, entertainment, and recreation offerings.

In recent years, a number of state and community initiatives have emerged around the country to identify the factors needed to attract and retain young people. One such effort is Michigan's "Cool Cities Program." The Cool Cities Program researched communities that have successfully recruited young talent. Researchers found that successful communities were those that were strategic and focused on the unique strengths they have as a community. Some of the common strengths between communities that successfully recruited young people include:

- Tolerance and diversity
- Walkable and livable communities; ease of access to shopping, leisure, and work
- Housing choice, for example, affordable, close to town, wide range of sizes and prices
- Restaurants, entertainment, and nightlife options
- Wide ranging recreation offerings
- Access to quality education (for children and access to higher education)
- Viable downtowns
- Pedestrian and bike amenities
- High-tech focused
- Well branded and marketed communities
- Volunteer opportunities
- Convenient locations
- Strong arts communities
- Beautiful locations

Source: http://www.michigan.gov/documents/initial2_88765_7.pdf

BUILDING CLAY'S ECONOMY THROUGH TOURISM DEVELOPMENT AND OUTDOOR RECREATION

The CCCP provides a plethora of data to help community leaders understand the local population. It is also important to understand the nature and overall impact of area visitors. The following data came from *2008 North Carolina Regional Travel Summary*³⁶, published by the North Carolina Department of Commerce; Division of Tourism, Film and Sports Development; Tourism Division (NC Tourism Division).

Hayesville is in the Mountain Region, as designated by NC Tourism Division, which consists of the twenty-three western-most counties of North Carolina. In 2008, this region captured 18% of the total visitors to North Carolina. Below are some statistics and general information about those travelers.

- 87% of domestic visitors came to the region for pleasure
- 10% came for business
- 3% came for personal or “other” reasons
- Fall had the highest volume of visitors (34%), followed by Summer (29.7%), Spring (23.4%), and Winter (12.9%)
- Overnight visitors spent an average of 3.7 nights in the region
- 31.3% stayed in a private home
- 61.4% stayed in a hotel/motel
- Average travel party size was 2.8 people
- 26% of parties included children
- 83.3% of travelers drove to the region
- 5.8% flew to the region
- The 2008 average spending by overnight visitor parties was \$591
- The 2008 average spending by day-trippers was \$394
- The top five states of visitor origin were North Carolina (31%), Georgia (13.5%), Florida (10.2%), and South Carolina (9.3%)
- The top five activities participated in by visitors were rural sightseeing (34.5%), visits to state and national parks (26.6%), shopping (26.6%), visit relatives (20.6%), and fine dining (16.6%)
- 61% of the visitors had a household income over \$50,000; 13.8% had a household income of \$125,000 or higher.
- The top advertising markets for the NC mountain region are: Charlotte (12.3%); Atlanta (9.9%); Greenville-Spartanburg-Asheville (8.8%); Raleigh-Durham-Fayetteville (6.3%); Greensboro-High Point-Winston Salem (5.6%); Tampa-St. Petersburg, FL (4.0%); Knoxville, TN (3.2%); Washington, DC-Hagerstown, MD (2.9%); Columbia, SC (2.6%); Orlando-Daytona Beach-Melbourne, FL (2.5%)

³⁶ 2008 North Carolina Regional Travel Summary: <http://www.nccommerce.com/NR/rdonlyres/62941F72-A743-4BA2-8343-74E65039C3EE/0/2008NorthCarolinaRegionalTravelSummary.pdf>

Clay County has long been an attractive place for tourists to visit. The county has something to offer almost any type of tourist—the outdoor enthusiast, the art and craft connoisseur, the scenic view seeker, the Native American history buff, and the lake-lover. Yet, despite the county’s many offerings, it is difficult for the potential tourist to find a well-coordinated and comprehensive source of information about Clay County’s tourist destinations. A successful tourism strategy for Clay County is one that has an internal and external focus.

The first component of a strong Clay County tourism strategy is to identify, brand, and market the county’s internal tourism assets. A simple internet search with the keywords “Clay County”, “NC”, and “Tourism” reveals very little for the potential tourist looking to plan a visit. The development of a comprehensive listing and well-marketed access point where all types of potential tourists are directed is the suggested starting point for this endeavor. This listing should include activities, special events, lodging, driving tours/site-seeing, lake recreation, fishing access points, and the many other opportunities. An internal focus as a first step sets the stage for the second component of a strong tourism strategy—connecting with the broader region.

Clay County sits in the middle of a tourism rich area. One can find tourist amenities similar to those in Clay County throughout the region. There is great potential for Clay County and its neighbors to approach tourism from a regional point-of-view. An emerging tourism concept is that of loop tourism, where a connected region becomes the destination rather than one individual place. A good example is the Irish Loop³⁷ in Newfoundland, Canada. About eighteen towns along a driving loop have marketed and banded their services based on their common Irish ancestry. Collectively, they advertise the region’s services, lodging, and activities found along the loop. Clay County and the region have a number of loops they could develop, including outdoor recreation (human powered sports); cultural events and cultural heritage; art, craft and music; and Cherokee heritage.

³⁷ <http://www.theirishloop.com/default.asp>

ECONOMIC DEVELOPMENT CONCEPT PLAN

The economic development strategy presented in the CCCP, when implemented, will result in greater private industry investment. Strategies will also result in an expanded tax base; increased employment opportunities, wages, and personal incomes; and an overall increase in community wealth.

1. **ED-1 Goal: As the lead economic development organization, the Clay County Economic Development Commission (EDC) will enhance Clay County's capacity to engage in economic development activities.**
 - 1.1. **Define, form, and appoint members to the new Clay County EDC (EDC Charter).**
 - 1.2. **Designate financial and other resources to support the work of the EDC**
 - 1.2.1. Designate funding for a paid economic development position within the county to support the work of the Economic Development Commission. Encourage the Town of Hayesville to assist with funding.
 - 1.2.2. Designate resources for this staff person and a two to three person volunteer team to obtain economic development training.
 - 1.2.3. Develop a dedicated revenue stream for economic development efforts.
 - 1.3. **Adopt and implement an aggressive “go out and find it” business development and recruitment program. (Don’t wait for opportunities to come to knocking; go out and start knocking on doors—both locally and regionally).**
 - 1.3.1. Actively participate in and benefit from regional economic development initiatives, forums, conferences, etc.
 - 1.3.2. Actively pursue and develop businesses that provide high-quality, high-paying employment opportunities and strong tax base.
2. **ED-2 Goal: Clay County will strengthen its economy by branding and marketing itself as the region's hub of economic activity.**
 - 2.1. **Develop a Clay County economic development image that promotes Clay County's economic development strengths.**
 - 2.1.1. Develop a high quality economic development marketing package.
 - 2.1.2. Develop a high quality economic development web presence.
 - 2.1.3. Designate resources for travel, trade shows, conferences, etc.
 - 2.2. **Improve business related information and data**
 - 2.2.1. Implement a business licensing program, with a nominal fee, to document and benchmark businesses growth.
 - 2.2.2. Integrate economic development data with the Clay County GIS.
 - 2.2.3. Identify and track metrics or benchmarks to measure success of economic development efforts.
 - 2.2.4. Ensure that the latest community data is available (use the CCCP as a benchmarking tool).
 - 2.2.5. Add the information to the economic development web presence.
3. **ED-3 Goal: Clay County's strengthens its capacity to engage in economic development activities by maximizing existing economic development resources.**
 - 3.1. **Engage economic development resource providers in County economic developers and generate economic development vision buy-in.**

3.1.1. Reserve slots on the EDC for key economic development resource providers.

3.1.2. Link to economic development resources providers from the economic development web presence to promote to potential and existing business, and to citizens.

3.2. Support other organizations engaged in economic or community development efforts.

3.2.1. Consider direct funding (grants) or an annual contract process where economic development partners contract to assist the county in certain economic development or public purpose activities.

3.3. Engage with existing workforce development partners to accomplish county economic development goals.

3.3.1. Use workforce development resources to inventory and profile the skills of area workers to use business recruitment tool.

3.3.2. Engage with the Southwest Workforce Development Board to identify, learn, and market opportunities that benefit Clay County's workforce.

3.3.3. Work with local educational institutions and schools to promote opportunities for technical based training that contributes to regional employment opportunities.

3.4. Assertively work and collaborate on efforts to bring higher education opportunities to Clay County

3.4.1. Research the potential of higher education learning center, similar to that in Morganton, NC.

3.4.2. Maintain an active and facilitative role with public groups and private interests that are working to close broadband gaps.

4. ED-3 Goal: Clay County's strengthens its economy through implementation of economic development building block strategies.

4.1. Build Clay's Economy through Economic Infrastructure

4.1.1. Inventory, develop, and market the county economic development physical assets (buildings, transportation assets, infrastructure, etc.).

4.1.1.1. Develop marketing materials for the Clay County Industrial Park; add the Park to the county's economic development web presence .

4.1.1.2. Inventory vacant buildings appropriate for economic development activities, such as commercial, office, industrial.

4.1.1.2.1. Identify those buildings that may be eligible for the Rural Center's Building Reuse Funds.

4.1.1.2.2. Market availability of buildings; consider a vacant building program where owners can register their building with the county's Economic Development Commission.

4.1.1.2.3. Link home-based or expanding business to vacant buildings and/or encourage space sharing to reduce business overhead.

4.1.2. Ensure the provision of adequate infrastructure to accommodate economic expansion as designated on FLUM.

4.1.2.1. Identify business needs and barriers involving infrastructure improvements; support policies and actions to improve infrastructure.

4.1.2.2. Plan for accessible and efficient transportation options for the movement of people and goods.

4.2. Build Clay's Economy through Strengthening Existing Industry

- 4.2.1. Increase the availability and accessibility of business development services.
 - 4.2.1.1. Coordinate with economic development stakeholders to develop a “no wrong door for economic development”; where all economic development stakeholders know how to help; make sure all business support providers have the knowledge to offer a basic level of assistance.
 - 4.2.1.2. Annually update the “Resource Guide to Starting a Business” and ensure its continuous distribution in paper and electronic formats.
- 4.2.2. Increase availability of and access to capital.
 - 4.2.2.1. Work with local banks, Clay County Government, and other stakeholders to create a small business loan pool or a revolving loan fund.
 - 4.2.2.2. Target exiting businesses on the verge of growing and link them to capital, such as a bank loan pool, Rural Center’s Capital Access program, SBA loans, etc.
- 4.2.3. Prepare for potential economic shifts by maintaining strong communication with the county’s major employers to assess their current and projected future needs including utility, infrastructure, land, and labor force.
 - 4.2.3.1. Continue to expand upon development and implementation of systematic methods for contacting businesses to identify their needs and direct them to resource providers.
 - 4.2.3.2. Promote retention and growth of existing businesses within the county.

4.3. Build Clay's Economy through Regional Opportunities

- 4.3.1. Leverage the county’s connection to metropolitan areas to bolster economic opportunities in Clay County.
 - 4.3.1.1. Intentionally reach out to business leaders in the metro areas to remain abreast of economic trends in the metro areas.
 - 4.3.1.2. Encourage the expansion of commercial and industrial opportunities within the county to enhance the county’s role as a regional economic center.
- 4.3.2. Establish links between local employers (new and existing) and regional opportunities
 - 4.3.2.1. Develop a skilled workforce that can accommodate local and regional employers
- 4.3.3. Intentionally reach out to regional health care facilities to increase their presence in Clay County, both as a service to Clay County residents and as an employment base.

4.4. Build Clay's Economy through Emerging Industries

- 4.4.1. Explore and pursue business enterprises and production processes that relate to renewable energy.

- 4.4.2. Build the county’s economy around place based assets that provide competitive advantaged to the county and the region—for instance food, bio-based products, outdoor recreation, etc.
- 4.4.3. Research needs of and recruit business that manufacture outdoor recreation products, a growing industry in Western North Carolina.
- 4.5. **Build Clay’s Economy through Small Business and Entrepreneurship**
 - 4.5.1. Promote entrepreneurship to grow the economy from within the community—this will complement business attraction.
 - 4.5.1.1. Promote and strongly support entrepreneurship education
 - 4.5.1.2. Indentify and promote successful business accomplishments and/or growth to foster an environment of entrepreneurship and innovation
 - 4.5.2. Encourage entrepreneurs and businesses to use existing business service providers to obtain financing, business plan creation, market research and planning, human resource polices and procedures, operations management, understanding financial cash flow and reports, develop new products, and government procurement
 - 4.5.3. Intentionally link small business owners and entrepreneurs to regional opportunities.
 - 4.5.4. Incorporate small business owners and entrepreneurs with the EDC and its activities.
- 4.6. Establish a or build a partnership with an existing micro-enterprise assistance program that includes business training, technical assistance, and low-interest financing.
- 4.7. Become a Certified Entrepreneurial Community through AdvantageWest’s program³⁸.
- 4.8. **Build Clay’s Economy through Maintaining and Enhancing the County’s Quality of Life**
 - 4.8.1. Undertake initiatives to develop, retain, expand, and attract business to the county that maintain and enhance the quality of life in Clay County
 - 4.8.2. Promote a strong and inviting image of the county that emphasizes community resources, such as attractive communities, cultural activities, restaurants, parks and recreation facilities, etc.

³⁸ http://www.advantagewest.com/content.cfm/content_id/227/section/entrepreneur

- 4.8.2.1. Enhance and add amenities to attract a talented workforce, including: a variety of housing options; open space, trails, recreation and entertainment; a strong technology backbone; a diverse community that welcomes outsiders; opportunities for young professionals to be involved in the community
- 4.8.2.2. Provide a community that is attractive to a wide range of individuals critical to the county's economic health—including young professionals, workforce, and executives

4.9. Build Clay's Economy through Downtown and Community Revitalization

- 4.9.1. Where appropriate, assist downtown stakeholders with their efforts to implement recommendations from the Historic Hayesville Market Analysis
- 4.9.2. Endorse Hayesville's NC Small Town Main Street application in 2011.
- 4.9.3. Pursue community development efforts that promote employment growth through community revitalization (e.g. Historic Clay County Courthouse Rehabilitation)
- 4.9.4. Ensure that community development and revitalization organizations are incorporated with EDC activities.

4.10. Build Clay's Economy through Tourism Development and Outdoor Recreation

- 4.10.1. Coordinate and collectivity brand and market Clay County tourism resources.
 - 4.10.1.1. Thoroughly inventory the county's tourism resources, such as activities, events, services, lodging, etc.
 - 4.10.1.2. Develop a strong travel and tourism marketing plan.
 - 4.10.1.2.1. Target tourism materials to specific types of visitors and destination seekers, e.g. cyclists, anglers, art and craft collectors.
 - 4.10.1.2.2. Identify a single tourism web portal of activities and events.
 - 4.10.1.2.3. Connect to regional tourism activities.
- 4.10.2. Implement a regional tourism strategy that highlights heritage, outdoor activities, arts, agriculture, events, etc. Investigate Loop Tourism models from other communities.
 - 4.10.2.1. Assertively market tourism resources using the Blue Ridge National Heritage Area.
- 4.10.3. Coordinate with tourism resource providers to record local travel and tourism data.
- 4.10.4. Support the TDA in efforts to Collect taxes on private rentals.
 - 4.10.4.1. Support the TDAs efforts to educate property owners on the collective benefit of increased TDA funds.