



North Carolina Small Town Economic Prosperity Program

Final Report

For

Burnsville, North Carolina

Vision for Burnsville. The Burnsville community's unique rural mountain lifestyle and distinctive quality-of-life characteristics contribute greatly to the capacity for the local economy to grow by attracting new residents, visitors and businesses. In fact, fostering and improving quality of life is perhaps the most important and effective marketing tool we can employ to add jobs and increase income levels and wealth in the community. Burnsville's population as reported in the 2010 Census is 1693, an increase of two people. The 2010 Yancey Census population is 17,818, an increase of 41 people, approximately 0.2%. Seasonal residents, while not reflected in the Census, also have an important impact on the local economy. Our vision for the community recognizes that in order to maintain its current population or to carefully grow we must reduce out-migration of our young people and create an economic and cultural environment that attracts new residents.

Burnsville and Yancey County possess several unique strengths that will be advantageous in promoting economic development. These include:

- The elements of the natural and built environment the social, cultural, and economic environments, and significant infrastructure improvements that are currently in progress.
- The natural setting of Burnsville as a historic community in the heart of the Appalachian Mountains of Western North Carolina includes 38,272 acres of National Forest and 116 miles of maintained trails, which set it apart from the majority of small communities. It provides numerous recreational opportunities and multiple attractive settings in which to live and work for long-term residents, seasonal residents, new settlers who choose Burnsville as a home for work or retirement, and for visitors.
- The proximity to "big city" amenities and regional job markets.
- Mayland Community College and Yancey County Schools assimilate 21st century educational platforms which prepare students for real world employment opportunities in the local as well as global markets.
- The Burnsville community retains a strong spirit of independence and entrepreneurship that sustains its economy and provides a foundation for future growth.
- The skills and products of its creative and farming communities provide a cultural focus, an attraction for other residents and visitors, and a foundation for economic development.
- The widening of Highway 19E from I-26 through Burnsville will provide more efficient transportation.
- The project to provide fiber optic cable-based broadband Internet service for Yancey County will create critical foundations for the expansion of businesses that require efficient communications links within and beyond the region.

Vision: Our vision of Burnsville in 2021 is:

- A small town that has a diverse mix of residents, both seasonal and full-time.
- The downtown is a mixed residential and commercial center with a unique collection of shops and restaurants catering to residents and visitors. The downtown is bicycle and walking "friendly" with a network of biking and walking trails connecting the historic square and the cultural circle with the downtown and surrounding areas.
- Burnsville's infrastructure includes expanded lodging, restaurants, entertainment venues, seasonal events including art shows, music and literary festivals.

- Historic buildings give character to the town atmosphere; while a modern 8,000 square foot Town Center will be used for events, celebrations, meetings and commerce.
- Mt. Mitchell State Park and other accessible public lands provide the foundation for the community's sustainable growth.
- An economy characterized by diversified local production, services, and manufacturing. These include sustainable farming; 'green' building and distributed energy systems; design and creative activities that add value to unprocessed materials (mining, timber, agricultural products); lifestyle, health and outdoor activity services; and businesses utilizing fiber-optic broadband to reach markets far beyond local boundaries.
- Educational, governmental, nonprofit, and business entities collaborate to develop training and career opportunities for our residents.

Strategies: In the context of this planning process, strategies define general approaches to developing the local economy and meeting the needs of the target audiences implied by your vision of the future community. These general directions provide the basis for considering the definition, planning and implementation of specific projects. The recommended Burnsville strategies are outlined (but not ranked) below.

- **Strategy 1: Develop closer ties and interaction with the regional metropolitan market.**

With the improvement to US 19, travel times will be shortened and safety will be enhanced. This should lead to opportunities to participate in the regional marketplace and job market to a much greater extent than is the case currently. Mayland Community College and Mountain Heritage High School can prepare students with the technical skills demanded in the regional markets. An innovative apprenticeship program for Yancey students would help increase employment of local residents. Improved logistics will ensure market competitiveness.

- **Strategy 2: Develop and implement a marketing program to western NC tourists and potential seasonal residents.**

Burnsville appears to have three natural tourism constituencies: Mount Mitchell visitors; tourists interested in high-quality arts and crafts; and outdoor activity enthusiasts. With proper planning and outreach, each of these markets can be developed to increase the flow of tourists into the town. The natural amenities and activities that are attractive to tourists are also magnets for seasonal residents. Developing these markets for tourists and seasonal residents does not just involve advertising, but also involves providing the appropriate mix of product to meet their expectations. For example, outfitters and guides for rock climbing and hiking may be essential components of serving the outdoor enthusiasts.

- **Strategy 3: Enhance and protect the visual and functional appeal of The Town of Burnsville Commercial District.**

The Burnsville Commercial District is the historic commercial, financial, and cultural center of Yancey County. Therefore, any successful effort to promote and foster economic prosperity within the Town of Burnsville must begin with

revitalizing the economic health and prosperity of the Commercial District. To accomplish this objective Burnsville must upgrade and improve the physical quality of its commercial buildings, public spaces, and streets to create a more visually attractive, functional, pleasant and satisfying experience. This involves many aspects of the community, much of which are either controlled or influenced by the Town Board. For example, land use controls or guidelines along with appearance standards may be important because that which is in the interest of everyone is often not considered in individuals' decisions. Also, such actions as developing walking trails and improving the square may require public investment.

- **Strategy 4: Plan and implement a more comprehensive approach to encouraging business development and entrepreneurship, with an emphasis on the agricultural, retail, and service sectors and the arts community. Working with the many resources and organizations that are addressing economic development in Yancey County, the key elements of the strategy are to:**

Develop realistic and effective approaches for funding the development of new businesses and expansion of existing small business in Burnsville and Yancey County. An ideal approach would combine local sources of capital with oversight and mentoring of small businesses drawn from the same sources.

Create a community development profile that characterizes the current state of the community, describes what it wants to become and why it seeks this goal, and what it needs to do to accomplish the change that it seeks.

Understand the regional environment in which economic development in Burnsville and Yancey County will occur.

Develop plans to market the development strategy to the community and the developed product to the region and wider world.

- **Strategy 5: Explore and identify ways to encourage the development of knowledge-based businesses by utilizing the new broadband Internet capabilities in Yancey and Mitchell Counties.** The key elements of the strategy are to: Describe the new broadband initiative, its capabilities, cost, and time frame for availability widely to the residents and businesses in Yancey and Mitchell Counties, determine the receptiveness of the community to it and the economic opportunities that it offers through the education of the community and assessment of the community response.

Identify the local workforce capabilities that are available or trainable to take advantage of the knowledge-based occupations that can be developed using the broadband resources (this can be a part of the community development profile in Strategy 4).

Develop workforce training capabilities through the public schools, Mayland Community College, and regional colleges and universities to develop individuals with a range of technical skills that will be required for the development of knowledge based businesses.

Market the availability of the high-speed broadband capability in Yancey and Mitchell Counties in the context of the social and environmental benefits of living and working here.

Projects. NCSTEP Burnsville established a subcommittee for each of the five strategies to develop and recommend projects for achieving strategy objectives. Initially negotiation within the subcommittees and the entire NCSTEP Burnsville team yielded a list of eight projects as outlined below by priority.

1. Employ planning consultant to recommend physical improvements in downtown Burnsville.
2. Establish the Yancey County Agricultural Center to help market local products and incubate new agricultural businesses.
3. Establish a technology center (BuzzIn) to support utilization of the new Broadband system by providing training, marketing and technology support to new and existing businesses as well as individuals.
4. Assist with physical improvements to make the Burnsville Square an economic asset for the community.
5. Produce and distribute 10,000 rack cards to promote Burnsville tourism at appropriate welcome centers in NC as well as at lodging and other tourism related businesses in western NC.
6. Develop a Quilt Trails Passport program to encourage purchasing from local businesses.
7. Create a Low-Profit Limited Liability Corporation (L3C) to raise investment from not-for-profits as well as individual investors for the purpose of investing in new and expanding local businesses as part of a comprehensive approach to encourage business development and entrepreneurship.
8. Research, develop and implement a Support Local Business program including an eCommerce site.

Further review by the planning group and discussions with NC STEP staff at the Rural Center resulted in modification of plans for project implementation. Specifically, it was determined that some projects were not appropriate for implementation funds and that the overlap and speculative nature of proposed organizations would make them

unlikely to succeed as separate organizations. Therefore, the final plan, approved by the Burnsville Town Board, recommended to the NC STEP program includes the following.

1. Use \$10,000 in remaining planning funds to employ a design consultant to recommend changes in downtown Burnsville reflecting the impact of upgrading US 19E to a four lane highway as well as the need to enhance the functionality and attractiveness of the downtown.
2. Set aside \$20,000 of implementation funds to implement as much as possible the recommendations from the design study.
3. Provide \$10,000 to assist with planning and development of the Yancey County Agricultural Center.
4. Allocate \$2,000 to produce and distribute rack cards to promote Burnsville tourism at appropriate welcome centers in NC as well as at lodging and other tourism related businesses in western NC.
5. Allocate \$68,000 to establish and support the Burnsville Development Group as a town organization to work toward implementation of all five strategies identified above. By utilizing existing town staff, Burnsville can use the recommended funds to support the BDG during the initial two years of operation.

In summary Burnsville is recommending projects 2 through 4 above for NC STEP implementation funding. The Burnsville Development Group is discussed in some detail below. Project templates for each of the four recommended projects are attached.

The potential for Burnsville to grow the local economy lies in its ability to serve broader markets than the local community. All five strategies outlined in the Burnsville Strategic Economic Development Plan are designed to take advantage of opportunities to reach out to these broader markets. However, the town lacks an organization with the specific responsibility of implementing the strategies and continuing to refine the approach to economic development. Burnsville is a small community. Therefore, multiple organizations to carry out these strategies and carry on the economic development planning function for the town would neither be wise nor sustainable. The Burnsville Development Group (BDG) is proposed as a single organization to carry out the functions and continue monitoring and implementing projects planned by the NC STEP Leadership Team.

Ideally, the BDG will be managed by a full-time executive director with appropriate skills to supervise a broad range of activities and to specifically guide and carry out planning and business development/support functions. The BDG functional program areas are outlined briefly in the organization chart below. The assistant director for technology and marketing will report to the executive director and will be assigned direct responsibility for program areas related to increasing utilization of the expanded

Broadband access for both business and individuals. In addition, the assistant director will plan and implement programs to market the Burnsville community to target audiences. Initially, resource constraints may limit this position to part-time, but ideally it will become a full-time position.

Obviously, the NC STEP implementation funds are not sufficient to support a full-time director and the proposed assistant director. Therefore, in order to make this concept functional the Town will have to provide program support in some way. One possibility that would initially involve little or no additional out-of-pocket expenditures by the Town is to affiliate the BDG with the Burnsville Town Center and shift responsibilities of the Town Center director to include the BDG. The Town Center director is already a full-time position, with the current director providing consulting and guidance to the Town on various other matters. The Town Center has an additional paid staff member to whom some of the director's responsibility can be delegated, freeing up more time for the BDG functions. Affiliation of the BDG with the Town Center makes sense for a variety of reasons other than staffing. First, it is a primary resource for drawing people into the community and for attracting business meetings. Second, it has the physical space to accommodate the various programs of the BDG if necessary and is strategically located.

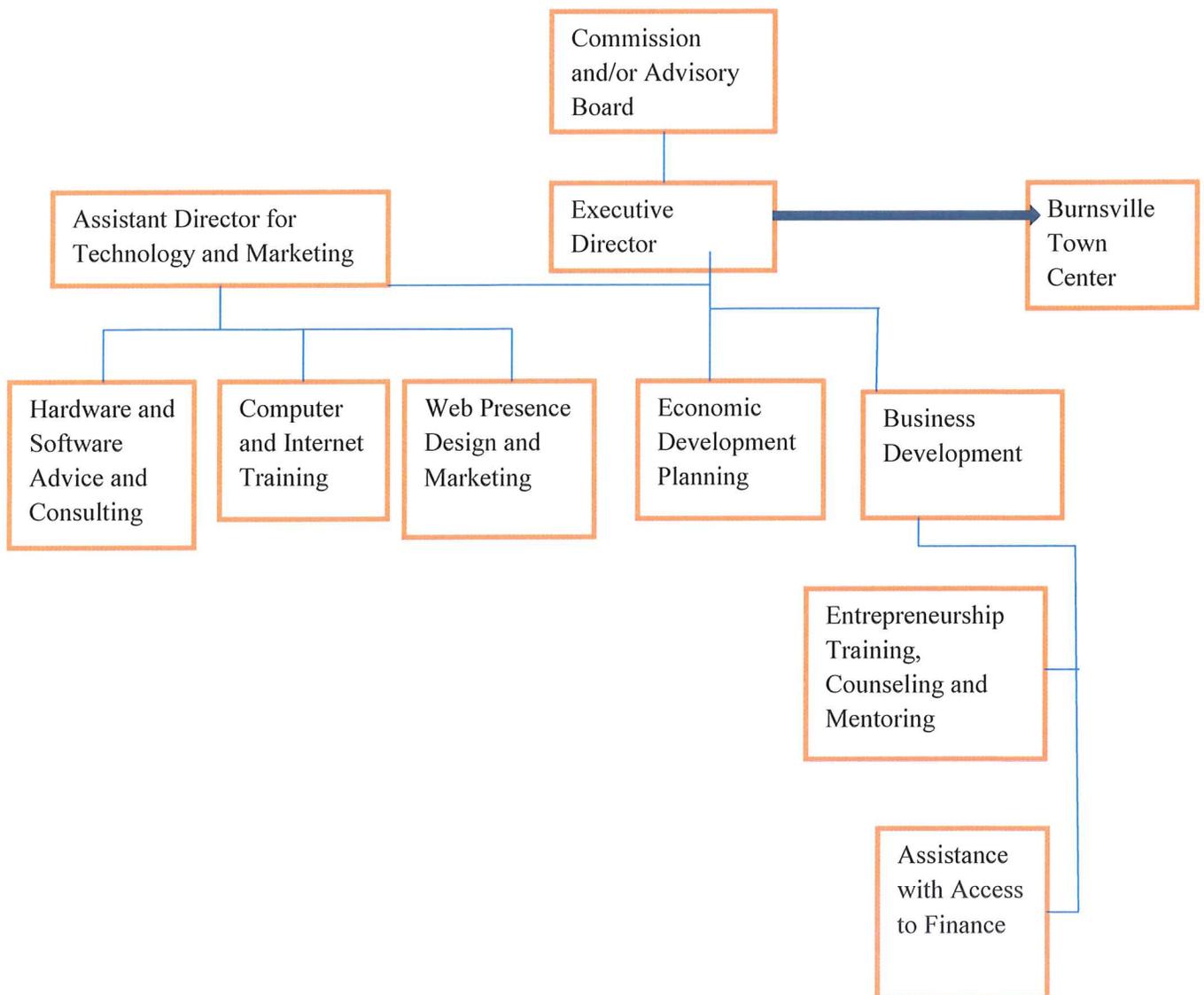
The functions identified below for the Burnsville Development Group are mostly self-explanatory and require cooperation and participation by related organizations or volunteers. A couple of things may need additional explanation, but most of the details and a BDG plan of work will be worked out during the implementation phase. First, under this scenario the relationship between the BDG and the Town Center is strictly associative, with neither program having authority over the other. Second, Assistance with Access to Finance may need some additional detail. The Rural Center will not approve any funds to be placed in a loan pool, although it may be possible to seed such a pool with other funds. However, because of the existence of several state-wide and regional pools for small business lending, it is possible to help local businesses with finding financing without using local funds. The Rural Center operates three such funds that are generously capitalized, including: the North Carolina Capital Access Program, the N. C. Microenterprise Loan Fund, and the Rural Venture Fund. The Rural Venture Fund is an investment fund rather than a loan pool. The Self-help Credit Union is another state-wide program. At the regional level, Mountain BizWorks runs a loan pool, the MAY Coalition has a loan pool and for environmentally related businesses, the Natural Capital Investment Fund provides loans. BDG could complement the efforts of the Mayland CC Small Business Center by helping firms prepare to seek funding and serving as an intermediary with the lending organizations. The BDG could undertake a broad range of activities to help firms understand and access the various funds. If local, or other, philanthropists or philanthropic organizations, can be induced to provide funds for

a local loan pool it could also be included in the mix. Of course, the first choice in all cases is to help firms prepare for traditional financing before pursuing these funds.

Governance of the organization will be determined by the Town Council. Several options exist, ranging from a committee appointed by the Town Board and reporting to the Council to an autonomous not-for-profit corporation with its Board of Directors appointed by the Town Council. The committee or board of directors should be given the responsibility and authority to supervise BDG programs and its membership should be sufficient to represent the broad interests of the community. For example, if the Town were to appoint a nine-member committee or commission, its membership might include 5 citizen members and 4 voting ex officio members. The ex officio members might include the county EDC director, the director of Mayland CC's SBC, a Town Councilperson and either the director/president of the chamber of commerce or the executive director of the Toe River Arts Council.

Burnsville Development Group

Proposed Organization



Projected impact. Direct job creation by these projects is modest, totaling no more than 10 full-time equivalents. However, it is important to note that, as is the case with many small-town projects, the main impact of the projects is to prepare the community for economic improvements and to put into place an organization that will improve the likelihood of growth in jobs and investment in the business community. It is impossible to predict with any confidence the number of indirect jobs to be induced by these investments. However, developing a vibrant and growing downtown business sector can result in several hundred jobs retained and created.

There is no guarantee that these improvements and programs will result in expansion of the community, or even maintaining the status quo. However, they will definitely improve the potential for the community to serve and attract its target audiences. These audiences realistically include western NC tourists, persons interested in investing in a second-home or retiree home in the Asheville area, families moving to the Asheville area for employment, and local area residents who choose where within the region to spend their income. Business support, education, marketing and physical improvements are the keys to long run success for Burnsville and Yancey County. Education is only addressed within these projects as training and mentoring for business and as development of skills associated with the increased availability of Broadband. We believe that focusing on the strategies proposed here and continuing to develop and implement projects in support of those strategies will help the community become more successful in expanding employment and increasing average incomes, while maintaining the charm, beauty and culture of community.