

# CITY OF MARION

## ECONOMIC INITIATIVE PLAN

*NC STEP PROGRAM 2006 - 2009*

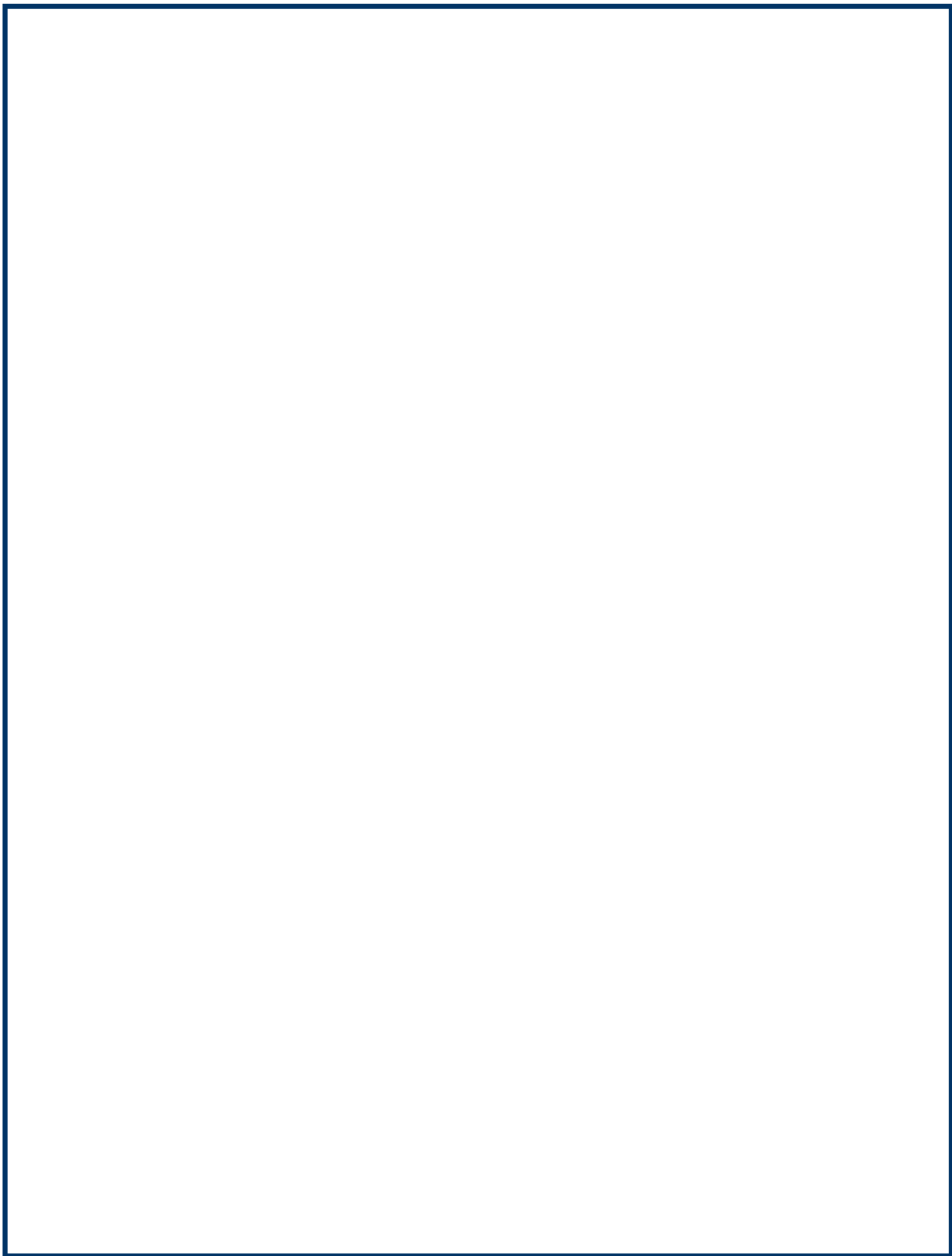


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December 31, 2007

Adopted By: NCSTEP Steering Committee  
(forthcoming)

Adopted By: Marion City Council  
(forthcoming)



## **ACKNOWLEDGEMENTS**

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We would like to acknowledge and thank the many members of the Marion community who have actively participated in the NC STEP program. We would also like to acknowledge the following people and organizations because without their assistance this plan would not have been possible.

### **City Council**

Mayor A. Everette Clark  
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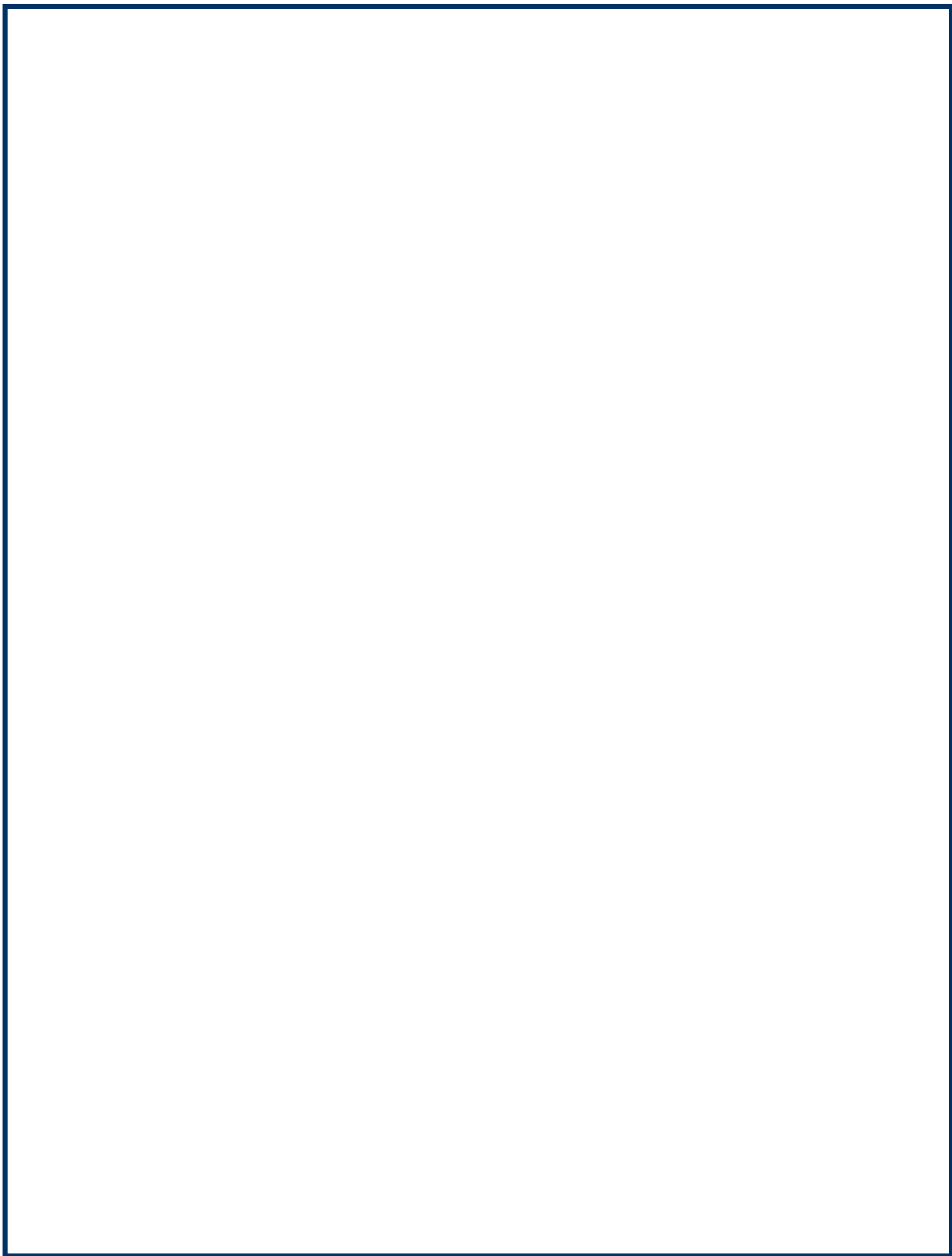
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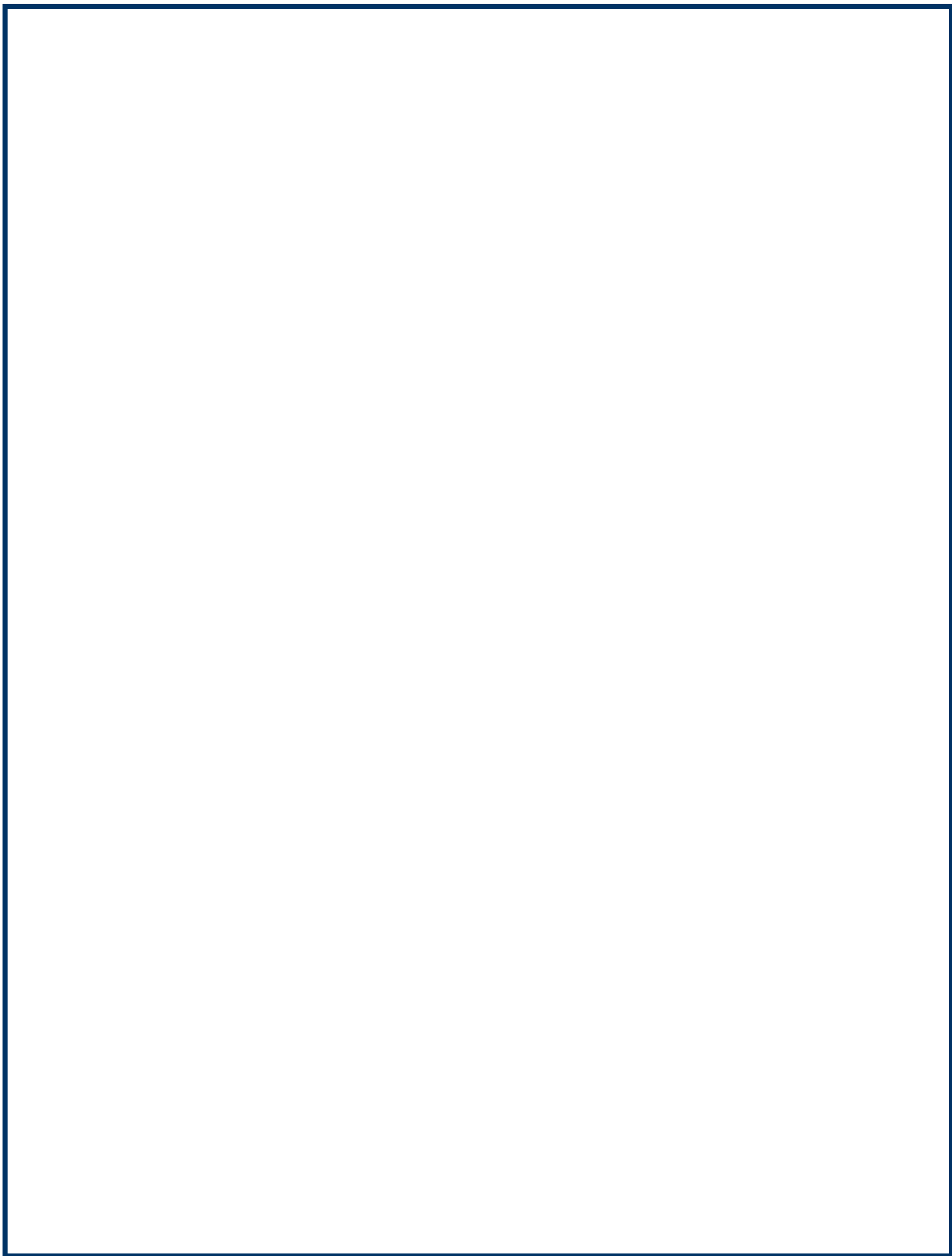
Advantage West  
Blue Ridge National Heritage Area  
City of Shelby  
Communities of the Future (COTF)  
Downtown Salisbury, Inc.  
Hand Made in America  
Isothermal Regional Planning Commission  
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University of NC Pembroke  
Town of Valdese  
Town of Robbins

We would like especially thank the North Carolina Rural Center for allowing us to participate in this very special program, and Ted Alexander, SW Director for Preservation NC for guiding us through this exciting process. It has not only put Marion on the path to economic prosperity, but it has provided us with the opportunity to connect with other communities who care and believe in small towns as much as Marion. Finally, we would like to thank the Town of Valdese and the Town of Robbins whose guidance was instrumental in the format of this plan.



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## EXECUTIVE SUMMARY

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The North Carolina Small Towns Economic Prosperity (NC STEP) program is an initiative by the North Carolina Rural Center. The program provides both technical and financial assistance to small communities, which is designed to help them plan and implement initiatives that will support growth and positive change in the rural economy. In March 2006, Marion was one of 33 communities chosen to participate in the three-year STEP program.

The purpose of the NC STEP program is to help support Marion's economic recovery and revitalization efforts as well as help the community overcome structural changes in the economy due to the loss of manufacturing. The NC STEP Economic Initiative Plan is asset-based, focusing on the resources and opportunities available within the community and using them to build "critical mass" that will over time strengthen the local economy.

The program is administered through a public-private partnership between the City of Marion and the Marion Business Association, but includes many community members who are active participants in the planning and implementation process. After being chosen to participate in NC STEP, a steering committee was formed from members of the Downtown Advisory Committee whose duty it is to oversee the program and assist in community outreach efforts. The STEP Steering Committee is a collective of citizens, civic organizations, leadership members, consultants, advisory boards, elected officials and city staff.

As part of the program, the STEP Steering Committee has held over 30 focus group meetings in nine areas of interest with participation from over eighty community members. Areas of interest included land use, economic development, downtown, historic preservation, housing, parks and recreation, public facilities, transportation, and civic capital. The purpose of the focus group meetings was two-fold; first to establish a dialogue with the community, and second to identify priorities within nine areas of focus that the public would like to have accomplished within the next twenty years. The focus areas and twenty year vision were chosen to consolidate the efforts of the public input process for the City's comprehensive land use plan that the City's planning department is working to update while identifying economic initiatives for the NC STEP program and to ensure that both documents work in harmony with one another. A comprehensive list of priorities that the community would like to see achieved within the next twenty years is located in Appendix C. Though not all priorities are included in the NC STEP Economic Initiative Plan they will be incorporated into the City's Comprehensive Plan along with the goals and objectives of the STEP program. This interconnected process has ensured that the community's vision for the future and their values in the face of transformation are preserved and fully integrated into the heart of the NC STEP Plan.

After collecting input from the community, the STEP Steering Committee used the information that they obtained to identify key initiatives that would have the greatest impact on economic growth. This plan represents the activities that they have under taken and the initiatives they've chosen to pursue in an effort to adapt to structural changes in the economy and achieve prosperous economic future.

## PLAN ORGANIZATION

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The NC STEP Economic Initiative Plan is organized into three sections and includes a series of appendices. The first section provides general background information about Marion, including existing social, economic and physical characteristics of the community. The second section, identified as “STEPS”, outlines the many activities and achievements that have been made throughout the program. The third section highlights the seven key initiatives that have been identified as the strategies having the greatest potential for fostering economic growth. Each initiative provides a brief description, a list of objectives, desired results, indicators of success, key stakeholders, and potential funding sources. **The initiatives are not listed in order of priority because the committee believes that either together or individually each initiative will bring greater economic prosperity to Marion.**

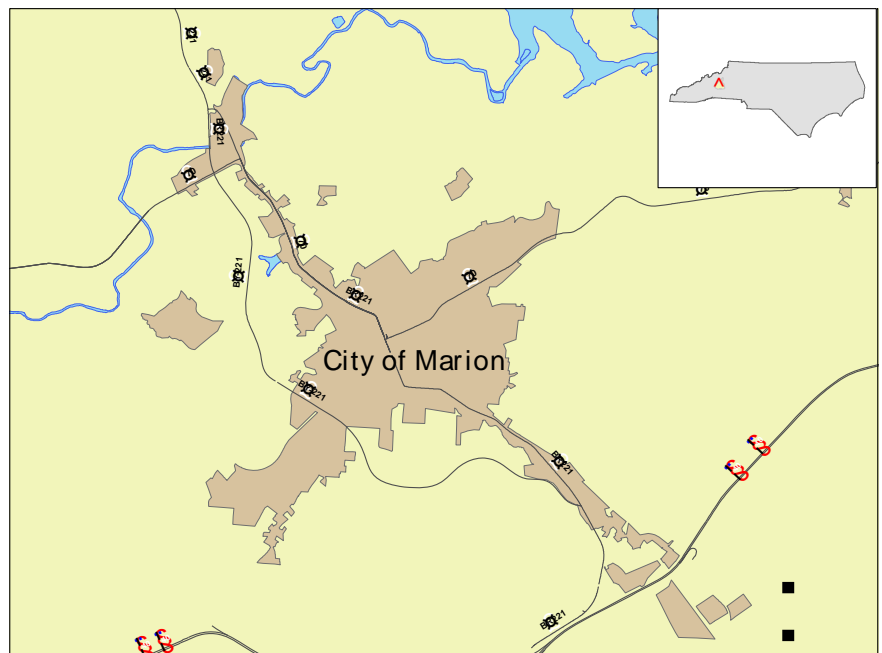
## BACKGROUND

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The City of Marion, the County Seat of McDowell County, was planned and built on land selected by the first McDowell County Commissioners in 1843. The name Marion came from Gen. Francis Marion, a South Carolina Revolutionary War hero, known as “Swamp Fox”.

Marion is ideally located in the foothills of the picturesque Blue Ridge Mountains of Western North Carolina, and serves as a gateway to many of the region’s most spectacular natural resources and cultural attractions including the picturesque Mount Mitchell. The City of Marion is ideally located in the foothills of the picturesque Blue Ridge Mountains of Western North Carolina, and serves as a gateway to many of the region’s most spectacular natural resources and cultural attractions including the picturesque Mount Mitchell, elevation 6,684 feet, which is the highest peak in eastern North America.

Marion is approximately five square miles in size and is bound by the Catawba River to the north and US Interstate 40 to the south. It is largest of two municipalities located in McDowell County, and serves as the county seat and center of commerce for the area. The City is situated at the crossroads of three other major transportation corridors including US Highway 70, US Highway 221 and US Highway 226 that serve as routes between the mountain and piedmont regions of North Carolina and beyond.





Marion is also within close proximity to several major airports including Charlotte International Airport located within an hour's drive offering service to destinations around the world; and Asheville Regional Airport (AVL) offering frequent non-stop flights from New York, Atlanta, Cincinnati, Nashville, Charlotte, and Washington DC. Other nearby airports include Greenville-Spartanburg, SC (GSP), Greensboro (PTI), Johnson City, TN (TRI) and Knoxville, TN (TYS).



Marion's small town qualities, pristine natural setting, accessibility, and low property tax make it an ideal setting for families, retirees, and seasonal residents. More than 50,000 residents call Marion home with more than 7,000 living within the city's municipal limits and approximately 48,000 residents living within McDowell County.

According to the 2000 census figures, the racial composition of the community in 2000 was predominately white (83%), with people of African-American (11%) and Hispanic (7%) orientation

comprising the balance of the population. According to a report published by Western Carolina University's Center for Regional Development, Hispanic population figures in McDowell County have increased by over 900 percent between 1990 and 2000, making it the highest percent increase in 23 of the westernmost counties surveyed. McDowell County School System also reports that the number of Hispanic youth now out number African-American youth at the primary school level.

Over the last four decades, Marion has maintained a stable workforce population with nearly half of its population ranging in age from 25 to 64 years old. On average an additional 14 percent have ranged in age from 15 to 24 years of age. In general, it can be anticipated that this segment of the population contributes to the workforce part-time and/or seasonally, if not on a full-time basis. Currently, 40 is the median age of the community's total population. This demonstrates that Marion has a fairly even age distribution, which is only five percent higher than both the state and national average. However, WCU's report indicates that McDowell County has experienced an out-migration of 18 to 24 year olds and an increase in those 65 years and older. If this trend continues it could have a negative impact on the economy with less people entering the workforce.

Approximately 32 percent of the population has less than a high school diploma or equivalent, while only 15 percent hold a Bachelor's degree or higher. About 43 percent of the working population is employed in the goods producing sector, while another 57 percent is employed in the private sector. Historically, this figure has been higher with 50 percent employed in manufacturing. Job losses, particularly in the manufacturing (goods producing) sector have plagued the city in the last decade. Since 1990, the City has experienced the loss of over 3,000

jobs in manufacturing, negatively impacting the City's tax base and utility revenue. The unemployment rate hovers around six (6) percent, which is higher than the state average of 4.8 percent. According to the U.S. Census Bureau, 17 percent of the population in Marion live in poverty, which is five (5) percent higher than the state average (12 %).

In November 2006, McDowell County was designated as a Tier I county by the NC Department of Commerce under the William S. Lee (WSL) Act. The program is one of North Carolina's chief economic development incentives tools. It ranks communities based on an assessment of each county's unemployment rate, median household income, population growth and assessed property value per capita. In addition, any county with a population of less than 12,000 or a county with a population of fewer than 50,000 residents with 19 percent or more of residents living below the federal poverty level is automatically designated as one of the 40 most distressed counties (TIER I). The goal of the WSL Act is to promote economic development by providing tax credits to selected industries by awarding corporate income and/or franchise tax credits to North Carolina sited companies creating new jobs, putting new equipment and machinery in service, investing in additional research and development activities, training workers or establishing and operating a central administrative office. The WSL ACT appropriates higher credits to economically distressed counties (TIER I) and lower credits to larger and more developed counties (TIER III). In November 2007, the Department of Commerce re-designated McDowell as a Tier I community for 2008.



# THE NC STEP PROGRAM

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## STEP ONE: STEERING COMMITTEE

In March 2006, the Downtown Advisory Committee set out to identify a diverse group of leaders in the community representing all ages, ethnicities, and income levels to formulate a leadership team. A diverse group of individuals came together to participate in one of the largest planning initiatives ever to take place in Marion. A number of community workshops were held to establish a dialogue with the community and to receive feedback from the public throughout the development of this plan.

The NC STEP program and the development of this plan has been accomplished through the collaborative effort of a diverse group of citizens, civic organizations, leadership members, consultants, advisory boards, elected officials and city staff to fashion a reliable guide for growth and economic prosperity in Marion.

## STEP TWO: COMMUNITY OUTREACH

The NC STEP Economic Initiative Plan is a product of an intensive community participation process involving more than 80 community members and technical advisors. The program has engaged the public in an open dialogue through public forums, surveys, interviews, focus group meetings, public meetings, training seminars, workshops, and presentations. The community-participation process was launched in the summer of 2006 with the NC STEP Community Kick-Off event.

A series of focus group workshops, neighborhood meetings, and public meetings were held between Fall 2006 and Summer 2007, inviting the community to discuss their vision of Marion's future. Special effort was made to reach out to a diverse group of citizens in the community. During each discussion STEP members asked one another "who else should be at the table", and they reached out to more people and asked them to join the community's effort. The planning process generated energy, enthusiasm, and community support for the revitalization of neighborhoods and commercial districts, beautification projects, and direction on specific economic initiatives such as the a local farmers market, which opened during the summer of 2007. The community also defined a vision statement for Marion's future, which is as follows:

### **COMMUNITY VISION STATEMENT**

*Marion's vision is to preserve, enhance, and sustain the best qualities of the built, social and natural environment, and effectively and efficiently address our community needs, giving positive direction to the changes and growth we can anticipate, and finding effective solutions to our existing problems.*

## **STEP THREE: COMMUNITY'S CORE VALUES**

During the first several STEP meetings we asked community members to identify what they valued most about the community and how such values could be maintained as the community evolved over time. The community identified four core values that are vitally important to sustaining and enhancing as the economy grows and evolves. These values include:

### **Preservation**

- Promote and enhance community assets that have been identified.
- Preserve Marion's small town character.
- Enhance the historic downtown & surrounding mill villages.
- Protect the area's natural resources.

### **Civic Involvement**

- Build diverse community participation.
- Allow open-minded discussions and be receptive to new ideas.
- Build public and private partnerships.
- Strengthen communication and coordination between organizations to make efficient use of resources and knowledge to achieve similar objectives.

### **Economic Prosperity**

- Establish guidelines for future growth and development.
- Be business friendly.
- Identify and reduce barriers to positive and sustainable growth.
- Encourage mixed-use throughout the community.

### **Government Resolve**

- Build a stronger tax base to better the community.
- Engage in strategic public investments to spark private revitalization.
- Continue to strengthen regional and statewide partnerships.
- Promote the "Main Street" philosophy community-wide.

## **STEP FOUR: COMMUNITY PROFILE**

As part of the planning process, in September 2006, the STEP Steering Committee enlisted 35 residents representing a cross section of the community to complete a community profile. Armed with a camera and survey, they photographed and documented the good and bad things that they saw that should be preserved, promoted or enhanced. The following profiles their comments.

### **Good Design and Architecture**

The number one theme that participants appreciated and valued were the historic buildings of the downtown area. "Good Design" and "historic architecture" were the most commonly noted references. Also mentioned were buildings that are beautiful in their historic nature but are



underutilized and not be utilized to their full potential. Newly constructed buildings were appreciated for their effort to fit into the context of the community and the historic character of downtown. Modern structures were welcomed as a sign of progress and economic growth.

Several participants commented on examples of well-designed signage as well as other elements that make businesses look more attractive. A few comments related to applying design standards and façade grants to help guide and improve commercial areas.

Other vacant buildings were noted as opportunities for adaptive reuse.

### **Vacant & Underutilized Buildings**

On the same level of concern, participants expressed concerns about vacant and under-utilized buildings. Participants noted that several businesses were not an appropriate use in their current location and especially noted that industrial uses should not be located in commercial areas.

### **Quality Housing**

In addition to attractive commercial businesses, many participants commented on good quality housing as well as safe and attractive neighborhoods noting that this fosters a strong sense of community.

### **Dilapidated & Poor Housing Conditions**

Dilapidated housing and poor housing conditions were commonly referred to as “eye sores”. Some noted that mobile homes and mobile home parks did not fit into the community.

### **Public Improvements**

Also important were the many improvements that the community has seen taken place including the evening and weekend music events, upgraded street lighting and underground utilities downtown as well as recent renovations to the Marion Depot, which now serves as the Downtown Economic Development Office and community building.

### **Poor Public Infrastructure**

This area received very high response from the community. There were multiple responses to the same issues. For example, many participants commented on the need to paint street light poles to match decorative lampposts, repair sidewalks and potholes, improve traffic circulation in problem areas, and improve parking.

### **Community Assets & Amenities**

Many participants identified several important community assets and amenities including outdoor dining, the YMCA, Hospice Center, the McDowell Senior Center, and the Chamber of Commerce.

Other participants identified churches as good examples of describing our community assets. Many also commented on their design, place of importance, and a place to gather with like-minded people.

Several participants commented on educational training opportunities provided within Marion including the McDowell Arts Council, Ford Miller Training Center, the Library, and the Marion Elementary School.

In addition, participants took pictures of people within the community with statements such as civic mindedness, good neighborhoods, safe community, positive and friendly atmosphere.

### **Undesirable Signage & Trash**

Citizens were very concerned about outdated signs, especially for closed businesses. Participants took pictures of a range of signs, but generally referred to each as “ugly” and “unattractive”. A problem with trash and blight were also commonly referenced in many of the pictures taken.

### **Desirable Businesses**

Virtually all participants commented on the need for more desirable businesses, more restaurants and retail in downtown, and more locally owned businesses. Of all the photographs taken an overwhelming majority of participants identified Wine Ruels as an example of a desirable business for the downtown and an asset to the community.

### **Lack of Economic Development**

Many of the participants had very strong views about economic development. Lack of economic development was portrayed in a variety of ways from a loss of jobs to limited economic opportunities as well as a lack of economic activity to bring people to the downtown. Lack of public infrastructure along Sugar Hill Road and poor entrances into the City limits were indicated as barriers to economic growth. Lack of retail businesses and quality restaurants were noted. It was suggested by many of the participants to develop design guidelines for the downtown area and make façade grant money more available in order to spur economic growth. “Trashy” auto repair businesses, abandoned vehicles and too many car lots were specifically noted as negative attributes of the City and discouraged new business from locating in the City.

### **Public Spaces and Public Building Assets**

Based on the pictures returned, many participants appreciate the many public spaces Marion has to offer including the gazebo downtown, the skate park, courthouse lawn, the community building, the Depot, Oak Grove Cemetery (for walking), the community ball field and Main Street.

Several participants commented on the attractive appearance of several public building including the Marion City Hall, Marion Police Department, County Courthouse, Marion’s Community Building, and the Depot.

### **Public Spaces and Public Buildings Barriers**

Many commented on several public spaces that were in need of improvement such as traffic circulation downtown and the Marion Post Office parking lot. The power station on Rutherford Road was listed as not appropriate location. The McDowell County Administration Building was noted as “ugly”.

## **Landscaping**

All of the participants returned photographs and comments representing well maintained and examples of beautiful landscaping suggesting the need for additional landscaping throughout the community. Many examples included private plant beds at the entrance to neighborhoods and businesses as well as the decorative hanging baskets that line the downtown during the spring and summer months.

## **Poor Landscaping and Overgrown Vegetation**

Equally as important as good landscaping, participants commented on poor landscaping and inappropriate landscaping. An overwhelming majority of the participants commented that they disliked the holly trees downtown and suggested shade trees as a replacement. Better pruning was suggested for the Crepe Myrtles and one participant referred to pruning practices as “Crepe Murder”. More landscaping was suggested for parking lots. Many photos of vacant lots and buildings overgrown with vegetation were taken indicating that it presents the City as an unclean and unsafe place.

## **STEP FIVE: TECHNICAL TRAINING, WORKSHOPS, & NETWORKS**

As part of the NC STEP program, members of the steering committee attended various workshops and training seminars and held a few of their own. The following are a list of activities that were attended:

- NC STEP Rural Economic Development Trainings – Steering committee members have attended several training workshops in Raleigh, which has provided them with information, case studies, and strategies for economic development as well as information on elements that work together to create economic sustainability.
- Enlightenment Conference - The steering committee’s innovator attended a conference in Charlotte, which focused on adapting to socio-economic shifts in society that are occurring globally and how to adapt to those changes locally.
- Grant Writing Training – This training helped staff identify grant sources for Marion. It has also been used to help other local non-profit agencies, both in identifying resources and in grant preparation.
- N.C. Main Street Conference – this conference provided a good foundation for where to begin in the community participation process. It also gave good examples and information on how to create public-private partnerships, livable communities and establish effective land use policies.
- N.C. Festivals and Events Conference – Staff found this conference very informative. Sessions provided information on current laws and regulations governing special events and festivals.

- Building Entrepreneurial Communities Seminar – City staff and steering committee members attended entrepreneurial seminars in a variety of locations that provided a wealth of information on strengthening and fostering entrepreneurial growth within the community and information on how to become a Certified Entrepreneurial Community.

In addition to events attended, the steering committee also organized and hosted an Entrepreneurial Summit in Marion having speakers who are internationally recognized leaders in economic development. Speakers included Rick Smyre an internationally recognized futurist specializing in building "capacities for transformation" in local communities; Bob Murphrey NC Main Street Program Coordinator and Economic Development Specialist for the Office of Urban Development within the NC Department of Commerce; Rodney L. Swink, FASLA, Director of the NC Office of Urban Development within the NC Department of Commerce; and Penn Dameron, a native of Marion NC, and who is the Executive Director of the Blue Ridge National Heritage Area (BRNHA). The purpose of this event was to explore economic challenges and opportunities in small communities and how all elements of our built, social and natural environment contribute to our economic success.

Marion also hosted the Small Town Leadership Development Certification Program administered by the University of North Carolina Pembroke sponsored by the North Carolina Rural Center. This program was one of the many highlights for members in the NC STEP program. It provided a wealth of information on leadership, planning, and project management. It was also a wonderful opportunity to interact with other small communities from all over North Carolina.

In addition to hosting events in Marion, STEP members had the opportunity to visit other communities in the region to network and learn about the opportunities and challenges in other small towns. Committee members traveled to the Town of Valdese and the Town of Marshall, NC STEP communities to discuss regional issues and initiatives. Participants visited the City of Shelby and spoke with community economic development leaders and toured their downtown. Participants learned about revitalization efforts, growing pains, and other success and failures that have occurred. To cap-off the visit participants were invited to attend Shelby's Downtown Alive After Five, a celebration of their community.

## **STEP SIX: IDENTIFY KEY ECONOMIC PRIORITIES AND DEFINE INITIATIVES**

In evaluating the priorities identified during the planning process, the NC STEP Steering Committee chose seven initiatives with the strongest ability to do the following:

- Strengthen existing small businesses and support entrepreneurial growth.
- Attract and retain new entrepreneurial businesses to the community.
- Revitalize target commercial areas within the community.
- Provide business and workforce training opportunities.
- Expand public infrastructure to support economic growth.
- Strengthen and enhance intra-regional coordination.



## NC STEP ECONOMIC INITIATIVES

<b>PROJECT ONE</b>		
<b>PROMOTE “MADE IN MCDOWELL” BRANDING</b>		
<b>DESCRIPTION</b> <b>“Issues for Strategy Implementation”</b>	Marion is a very close-knit community. Many residents can trace their lineage back to pioneers who first settled in the area. There is a strong desire to preserve and capitalize on this heritage in a changing economy. Many visitors pass through the region purchasing goods that are locally made and produced while taking advantage of natural and cultural activities that the area has to offer. In order to attract visitors, Marion must offer something unique and one way to do that is to create a brand that sets it apart from the rest of the region.	
<b>OBJECTIVES<sup>(1)</sup></b> <b>“Steps and Timeframe”</b>	<ul style="list-style-type: none"> <li>- Conduct a feasibility study to create a “Made in McDowell” Marketing Brand.(See Appendix D)</li> <li>- Develop a marketing plan that interests visitor demographics who enjoy cultural-heritage activities.</li> <li>- Assist local businesses with developing price points for products</li> <li>- Create a web-based and print-based advertising campaign to promote “Made in McDowell” goods including locations, directions, biographies, and other information of interest.</li> <li>- Establish a central vendor location for promoting and selling locally made and grown products that provides access and support services that will enhance business performance (i.e. internet access, advertising, marketing, etc)</li> </ul>	
<b>DESIRED RESULT</b> <b>“Outcome Metrics”</b>	Create a destination for visitors based on “Agri-Cultural” tourism that promotes locally produced goods and ties Marion into the Blue Ridge National Heritage Area (BRNHA).	
<b>SUCCESS INDICATORS/ ACHIEVEMENTS</b> <b>“Implementation/ Milestones/Schedule”</b>	<ul style="list-style-type: none"> <li>- Develop “Made in McDowell” brand.</li> <li>- Identify location and construct facilities to establish permanent location for farmer’s market.</li> <li>- Establish a website for Made in McDowell and print-media for advertising and promoting the area.</li> <li>- Promote “Made in McDowell” through BRNHA and the State Tourism office.</li> </ul>	
<b>CONVENING/LEADING ORGANIZATIONS &amp; PARTICIPATING ORGANIZATIONS</b> <b>(See Appendix A for Roles and Responsibilities)</b>	<b>Convening/Leading Organization(s)</b>	<b>Participating Organization(s)</b>
	City of Marion Marion Business Association	McDowell County Tourism Assoc. McDowell Chamber of Commerce McDowell Arts Council NC Cooperative Extension Service Old Fort Heritage Alliance
<b>FUNDING NEEDS</b>	Funding will be needed to develop a brand as well as develop and produce advertising materials. \$110,000	
<b>POTENTIAL FUNDING SOURCES</b>	McDowell Tourism Association NC Arts Council NC Rural Center - Economic Stimulus Grant Blue Ridge National Heritage Area (BRNHA) United States Department of Agriculture (USDA) North Carolina State University/North Carolina Extension Service	

(1) The STEP Steering Committee recommended that remaining STEP planning funds be allocated to the first two objectives outlined in Initiative Four. The City of Marion and DBA have contracted Arnet & Molder to complete a Branding and Marketing Study for Marion.(See Appendix D)

## PROJECT TWO

### SUPPORT ENTREPRENEURIAL COMMUNITY THROUGH DEVELOPMENT

<b>DESCRIPTION</b> “Issues for Strategy Implementation”	Several organization offer small business assistance in Marion and McDowell County through specialized training programs such as REAL and the McDowell County Community College Small Business Center. Participants identified the need to expand entrepreneurial assistance and training in order to attract and retain business in the community.	
<b>OBJECTIVES</b> “Steps and Timeframe”	<ul style="list-style-type: none"> <li>- Create a market assessment and marketing plan as tool to assist local business owners.</li> <li>- Develop incentive programs for small business startup such as rental/utility assistance, provide capital resources, and/or revolving loan program.</li> <li>- Enhance existing façade grant program.</li> <li>- Expand training opportunities.</li> <li>- Develop a mentor program for one-on-one business assistance for specialized needs.</li> <li>- Become a Certified Entrepreneurial Community (CEC) through Advantage West</li> <li>- Provide entrepreneurial training opportunities and education for youth and retirees and mentorship/cross-training program.</li> </ul>	
<b>DESIRED RESULT</b> “Outcome Metrics”	Build a community-wide network of services that foster and support entrepreneurial growth and success.	
<b>SUCCESS INDICATORS/ ACHIEVEMENTS</b> “Implementation/ Milestones/Schedule”	<ul style="list-style-type: none"> <li>- Training and mentoring opportunities increase and are utilized by business community.</li> <li>- Small business retention increases and job creation grows-unemployment rate decreases.</li> <li>- Complete steps for and achieve CEC status through Advantage West.</li> </ul>	
<b>CONVENING/LEADING ORGANIZATIONS &amp; PARTICIPATING ORGANIZATIONS</b> (See Appendix A for Roles and Responsibilities)	<b>Convening/Leading Organization(s)</b>	<b>Participating Organization(s)</b>
	City of Marion Marion Business Association	Advantage West McDowell County McDowell Chamber of Commerce McDowell County Schools McDowell Community College NC Cooperative Extension Agency Community Businesses
<b>FUNDING NEEDS</b>	Estimated \$50,000 to grow programs that would be self sustainable.	
<b>POTENTIAL FUNDING SOURCES</b>	Advantage West Blue Ridge National Heritage Area United States Department of Agriculture Appalachian Regional Commission	

**PROJECT THREE**  
**ESTABLISH AND STRENGTHEN**  
**TECHNOLOGICAL INFRASTRUCTURE**

<b>DESCRIPTION</b> “Issues for Strategy Implementation”	The City of Marion recognizes the need to strengthen technological infrastructure to compete in the global economy, create jobs, as well as attract and retain new enterprise.	
<b>OBJECTIVES</b> “Steps and Timeframe”	<ul style="list-style-type: none"> <li>- Assess current infrastructure (current access to broadband, bandwidth, affordability, etc.)</li> <li>- Conduct feasibility and cost estimate to build and strengthen a network infrastructure for access to high-capacity broadband service.</li> <li>- Establish infrastructure for wireless services within the downtown as an amenity and identify and partner with a local provider.</li> <li>- Market “hot spots” areas that have wireless internet accessibility downtown.</li> <li>- Provide training seminars on how and the advantage of promoting a business on the web.</li> </ul>	
<b>DESIRED RESULT</b> “Outcome Metrics”	A network system offering bandwidth capacity that supports current and future needs (100 Mbps +) and which places McDowell County in a competitive position to attract and retain businesses that rely on such infrastructure to compete in the global economy.	
<b>SUCCESS INDICATORS/ ACHIEVEMENTS</b> “Implementation/ Milestones/Schedule”	<ul style="list-style-type: none"> <li>- Increase in local business activity over the internet</li> <li>- Wireless access to the internet from anywhere downtown</li> <li>- Number of stakeholders and participating organizations increase to help achieve success.</li> <li>- State and federal policies developed and periodically evaluated to offer continued support for the development of such infrastructure.</li> </ul>	
<b>CONVENING/LEADING ORGANIZATIONS &amp; PARTICIPATING ORGANIZATIONS</b> (See Appendix A for Roles and Responsibilities)	<b>Convening/Leading Organization(s)</b>	<b>Participating Organization(s)</b>
	City of Marion Marion Business Association	McDowell County McDowell Chamber of Commerce McDowell County Schools McDowell Community College Town of Valdese
<b>FUNDING NEEDS</b>	<ul style="list-style-type: none"> <li>- A cost estimate for a high-capacity broadband shall be determined through a feasibility study. It is anticipated to be a multi-phased project requiring long-term investment.</li> <li>- Estimated cost to establish a wireless network in the downtown is \$30,000.</li> <li>- It is not anticipated that training will require additional funding.</li> </ul>	
<b>POTENTIAL FUNDING SOURCES</b>	E-NC Authority, NC Rural Economic Development Center Appalachian Regional Commission (ARC) United States Department of Agriculture (USDA) North Carolina Rural Center	

## STRATEGIC PROJECT FOUR

### 21<sup>st</sup> CENTURY INNOVATOR COMMITTEE

<b>DESCRIPTION</b> <b>“Issues for Strategy Implementation”</b>	The STEP Steering Committee recognizes that knowledge is the gateway to a sustainable economic future, and the more prepared the community is about long-range global trends the more successful it will be to adapt to economic change. The STEP Steering Committee would like to organize a community-based committee of diverse forward-thinking individuals/ life-long learners with interest and/or experience in science, art, ecology, technology, business to identify and research global trends and share their thoughts and ideas with the community.	
<b>OBJECTIVES</b> <b>“Steps and Timeframe”</b>	<ul style="list-style-type: none"> <li>- Identify, compile, and periodically update information on innovative research and development taking place globally.</li> <li>- Establish methodology for evaluating the community’s ability to adapt to new trends/conditions (e.g. ability to cross-train workforce for new technologies).</li> <li>- Make presentation and/or recommendations to educate the community about future trends and its potential local impact (opportunities and concerns).</li> <li>- Explore opportunities to utilize new technologies to reach people globally and network with other innovators from across the world to exchange information and build relationships.</li> </ul>	
<b>DESIRED RESULT</b> <b>“Outcome Metrics”</b>	Create a community-based system that fosters open-minded innovative thinking, learning, and leadership; educates and prepares the community for global trends that have the potential to cause or create local transformations; and cultivates the development of new entrepreneurial innovations.	
<b>SUCCESS INDICATORS/ ACHIEVEMENTS</b> <b>“Implementation/ Milestones/Schedule”</b>	<ul style="list-style-type: none"> <li>- Business start-ups increase</li> <li>- Decline in dramatic fluctuation in economic indicators evident in unstable economy.</li> <li>- Increase in business diversity.</li> </ul>	
<b>CONVENING/LEADING ORGANIZATIONS &amp; PARTICIPATING ORGANIZATIONS</b> <b>(See Appendix A for Roles and Responsibilities)</b>	<b>Convening/Leading Organization(s)</b>	<b>Participating Organization(s)</b>
	McDowell Community College McDowell County Schools Marion Business Association McDowell County Library	McDowell County Senior Center City of Marion Communities of the Future
<b>FUNDING NEEDS</b>	Funding is not a critical element in the formation of the 21 <sup>st</sup> Century Innovator Committee. However, a small pool of funding could be useful for hiring a Futurist Consultant to develop a framework for the committee as well as the development of an internet-based portal (website) for the exchange of information and communication.	
<b>POTENTIAL FUNDING SOURCES</b>	Marion Business Association City of Marion McDowell County Library	

## PROJECT FIVE

### IMPROVE WATER AND SEWER INFRASTRUCTURE

<b>DESCRIPTION</b> <b>“Issues for Strategy Implementation”</b>	<p>The City of Marion operates both a drinking water and wastewater utility. Facilities, in large part, were built to serve industries that are now gone. Most of the infrastructure for the water utility was constructed in the mid 1950’s and is in need of improvements. In addition, the City’s wastewater treatment facilities have not undergone any significant improvements since initial construction. The STEP Steering Committee recognizes that in order to support economic growth adequate public facilities must be in place.</p>	
<b>OBJECTIVES</b> <b>“Steps and Timeframe”</b>	<ul style="list-style-type: none"> <li>- Evaluate future adequacy of water supply and opportunities for off-stream impoundments for the development of emergency water intake on the Catawba River for use in drought conditions.</li> <li>- Update the capital improvement plan.</li> <li>- Encourage cooperative water and sewer systems throughout the county and extend water and sewer lines as necessary to accommodate future growth such as Sugar hill Road to I-40 interchange.</li> <li>- Continue program to replace aging and undersized water and sewer lines.</li> <li>- Implement the elimination and minimization of inflow and infiltration of wastewater system and reduce number of discharge points.</li> <li>- Eliminate Catawba River WWTP, upgrade Corpening Creek WWTP to make the plant a true 3 million gallon a day facility capable of meeting current and future state and federal regulations.</li> </ul>	
<b>DESIRED RESULT</b> <b>“Outcome Metrics”</b>	<p>Make significant investment in wastewater facility improvements, as well as update the CIP and continue to evaluate, plan and implement projects to enhance the performance, reliability, and productivity of public facilities to ensure facilities are available for economic growth.</p>	
<b>SUCCESS INDICATORS/ ACHIEVEMENTS</b> <b>“Implementation/ Milestones/Schedule”</b>	<ul style="list-style-type: none"> <li>- Continue to make reductions in amount inflow and infiltration into waste water system.</li> <li>- Make wastewater treatment plant upgrades.</li> <li>- Enhance and extend water and sewer services to accommodate future growth.</li> </ul>	
<b>CONVENING/LEADING ORGANIZATIONS &amp; PARTICIPATING ORGANIZATIONS</b> <b>(See Appendix A for Roles and Responsibilities)</b>	<b>Convening/Leading Organization(s)</b>	<b>Participating Organization(s)</b>
	<p>City of Marion</p>	<p>McDowell County Old Fort</p>
<b>FUNDING NEEDS</b>	<p>The estimated cost of water and sewer infrastructure improvements through the year 2030 is \$40 million, with wastewater plant improvements projected to cost \$6 million. The City has received partial funding for improvement for the wastewater system in the amount of \$ 4 million. The City has also completed a study for the Sugar Hill Road extension, which is estimated at \$ 1.7 million.</p>	
<b>POTENTIAL FUNDING SOURCES</b>	<p>North Carolina Department of Environment and Natural Resources (NCDENR) - Clean Water Management Trust Fund NC Rural Center – Water &amp; Sewer Improvement Grant - Economic Infrastructure Fund (EIF)</p>	

## PROJECT SIX

### DOWNTOWN DEVELOPMENT CENTER

<b>DESCRIPTION</b> <b>“Issues for Strategy Implementation”</b>	<p>The STEP Steering Committee would like to establish a development center that would provide business support services that focus on job creation, retention, and expansion as well as adaptable multi-use facilities to hold workshops, training seminars, conferences, and business meetings. In addition, the development center would provide cooperative facilities, marketing opportunities, and cost-share equipment to help reduce startup costs for new and smaller businesses. The Steering Committee has recommended that the Development Center incorporate Strategic Project One “Made in McDowell” initiative. The Marion Business Association in coordination with the NC Cooperative Extension Service is working on plans for a new farmer’s market facility and the McDowell Arts Association is working on plans for a new cultural arts and heritage center. Both plans include multi-use facilities and support services specifically tailored to meet the needs of these economic sectors. It is the committee’s desire to support these plans in both arts and agriculture to create a creative climate attractive to other small businesses having the desire or need to benefit from the cooperative facilities and services.</p>	
<b>OBJECTIVES</b> <b>“Steps and Timeframe”</b>	<ul style="list-style-type: none"> <li>- Establish local over-sight committee.</li> <li>- Conduct a feasibility study to identify market potential, versatility of retail use, location and cost.</li> <li>- Support plans for farmer’s market facility and cultural arts and heritage center.</li> <li>- Develop regular training opportunities, co-op marketing and advertising opportunities, and technical assistance.</li> </ul>	
<b>DESIRED RESULT</b> <b>“Outcome Metrics”</b>	<p>Expand the number of retail businesses that are located downtown and provide them with supportive services to help them succeed.</p>	
<b>SUCCESS INDICATORS/ ACHIEVEMENTS</b> <b>“Implementation/ Milestones/Schedule”</b>	<ul style="list-style-type: none"> <li>- Number of new business start-ups are established.</li> <li>- Empty storefronts are replaced by retail businesses</li> <li>- Increase in sales and revenue downtown</li> <li>- Job creation</li> <li>- Enhanced support services and facilities</li> </ul>	
<b>CONVENING/LEADING ORGANIZATIONS &amp; PARTICIPATING ORGANIZATIONS</b> <b>(See Appendix A for Roles and Responsibilities)</b>	<b>Convening/Leading Organization(s)</b>	<b>Participating Organization(s)</b>
	<p>City of Marion Marion Business Association</p>	<p>NC Cooperative Extension Agency McDowell Arts Council Association Advantage West McDowell Community College</p>
<b>FUNDING NEEDS</b>	<p>\$10,000 dollars to be utilized as matching funds for development plans for cultural arts and heritage center and farmer’s market facility.</p>	
<b>POTENTIAL FUNDING SOURCES</b>	<p>Advantage West Appalachian Regional Commission North Carolina Rural Center Blue Ridge national Heritage Center</p>	



## PROJECT SEVEN

### PROMOTE ADAPTIVE REUSE OF BROWNFIELD SITES

<b>DESCRIPTION</b> <b>“Issues for Strategy Implementation”</b>	<p>Vacant/underutilized industrial sites (84 acres) serve as a constant reminder of Marion’s economic hardship. Marion needs to revitalize these areas to make them functional and productive again. In redeveloping sites, attention should be given to changes in the economy. Marion wants to be a destination for heritage tourism, a gateway community to the Blue Ridge Mountains. To be successful in this economic sector, Marion must protect the natural resources that attract visitors. The redevelopment of Marion’s old textile mills provides opportunity to accommodate innovative new industry, small to mid-sized commercial and office space, as well as new residential housing while limiting the demand for new and expanding infrastructure, as well as limiting development encroachment on natural resources. The redevelopment of these sites has the potential to create new employment opportunities and support a cross-section of entrepreneurial growth, benefit existing businesses, and supply housing for Marion’s workforce with virtually no development impact and at a relatively low cost on infrastructure.</p>	
<b>OBJECTIVES</b> <b>“Steps and Timeframe”</b>	<ul style="list-style-type: none"> <li>- Identify and collect information on potential brownfield sites within Marion including an assessment of available funding opportunities, tax credits, and other applicable incentives.</li> <li>- Promote Isothermal Regional Planning Commission’s EPA Phase I Assessment grant opportunity through direct communication, community/civic meetings.</li> <li>- Conduct feasibility study to identify market potential, versatility of use, location, risks, and cost.</li> <li>- Identify and establish Public/Private partnership for funding and development within the parameters of the feasibility study.</li> <li>- Public acquisition of site and prepare development plan.</li> </ul>	
<b>DESIRED RESULT</b> <b>“Outcome Metrics”</b>	<p>Provide support to interested parties to encourage the redevelopment of brownfield sites in an effort to make underutilized sites safe, productive, and active centers within the community again.</p>	
<b>SUCCESS INDICATORS/ ACHIEVEMENTS</b> <b>“Implementation/ Milestones/Schedule”</b>	<ul style="list-style-type: none"> <li>- Educate community on the benefits of brownfield redevelopment and available programs.</li> <li>- Identify brownfield areas within Marion eligible for EPA Phase I Assessment assistance.</li> <li>- Develop a pilot program and identify partnership to redevelop a brownfield site in Marion.</li> <li>- Evaluate pilot program, make changes when needed and as necessary, and continue to promote the program until all sites have been redeveloped in fully functioning areas of economic and social activity.</li> </ul>	
<b>CONVENING/LEADING ORGANIZATIONS &amp; PARTICIPATING ORGANIZATIONS</b> <b>(See Appendix A for Roles and Responsibilities)</b>	<b>Convening/Leading Organization(s)</b>	<b>Participating Organization(s)</b>
	<p>City of Marion Isothermal Regional Planning Commission</p>	<p>Advantage West Preservation North Carolina McDowell Community College McDowell Chamber of Commerce Marion Business Association McDowell County</p>
<b>FUNDING NEEDS</b>	<p>Depending on the size, facilities and location there are several funding opportunities available to support such project. Project cost will be dependent upon each sites unique characteristics.</p>	
<b>POTENTIAL FUNDING SOURCES</b>	<p>United States Department of Agriculture (USDA) Appalachian Regional Commission (ARC) North Carolina Rural Center United States Environmental Protection Agency (EPA) North Carolina and United States Department of Interior Historic Tax Credit programs</p>	

## APPENDIX A

### LEADING & PARTICIPATING ORGANIZATION ROLES AND RESPONSIBILITIES MATRIX

Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
<b>PROJECT ONE PROMOTE "MADE IN MCDOWELL" BRANDING</b>						
McDowell Tourism Development Association	Marketing to demographic and tourism research	<b>Inputs:</b> 1.) Offer local and visitor demographic data, surveys and tourism trends and preferences to area businesses. 2) Disseminate listing of local artisans and musicians recognized regionally by the BRNHA that can be stocked at point of sale locations. 3) Create a symbiotic marketing brand that ties in with the BRNHA, NC Birding Trail, and Marion's branding campaigns. 4) Promote partnerships in advertising campaigns, such as Blue Ridge Mountain Host, to promote Marion and McDowell County collectively at a lower cost. 5) Coordinate with Old Fort, Old Fort Heritage Alliance, and Handmade in America to build on the "Made in McDowell" concept through signage, marketing, and future development and business recruitment. <b>Outputs:</b> 1) Build public awareness about McDowell County as an attractive destination to visit. 2) Strengthen partnerships between Marion, Old Fort, and McDowell County. 3) Create awareness among the business community about the local consumer market to help market and increase sales.			Ongoing	\$110,000



Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
McDowell Arts Council	Provide a physical location and support efforts for area artisans to market and sell their work.	<b>Inputs:</b> 1) Establish a gift shop at MACA 2) Join Blue Ridge Mountain Host to support cooperative advertising campaign 3) Enhance MACA website to provide a venue for area artists to promote and market their work 4) Develop a rack card that can be stocked at regional tourism offices, chamber of commerce's, and area businesses. <b>Outputs:</b> 1) Increased public awareness about local artisans. 2) Enhanced ability for artisans to promote and sell their work locally.			9/1/2008	
Marion Business Association/NC Cooperative Extension Service	Support agricultural industry and promote agri-tourism in Marion	<b>Inputs:</b> 1) Work with area farmers to establish a farmers market. 2) Provide a time and location for area farmers to setup a market. 3) Promote and market Marion farmers market locally and regionally. 4) Identify and build a permanent facility for farmers market. 5) Conduct a feasibility study on the need for a regional distribution center to support agricultural industry. <b>Outputs:</b> 1) Increase in number of agricultural businesses 2) Increase in local agricultural revenues. 3) Increase in local agricultural supply. 4) Increased training and support for agricultural industry 5) Increase public awareness of importance on sustaining agricultural industry and farmland protection.			5/1/2007	

Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
McDowell Chamber of Commerce	Enhance "Shop Local" message to incorporate local-brand buying opportunities.	<b>Inputs:</b> 1) Provide administrative resources with partners in "Shop Local" program development  <b>Outputs:</b> 1) Increased awareness and collaboration between organizations on local marketing initiatives.			Ongoing	
Marion Business Association	Create marketing identity for Marion, Old Fort (another STEP community) and McDowell County.	<b>Inputs:</b> 1.) Partner with MACA, Tourism Board and Chamber of Commerce to promote branding 2.) Utilize local artisans to promote branding 3.) Promote with Cooperative Extension Service for local grown and safe food  <b>Outputs</b> 1.) Increased market outreach 2.) Increased "Made in McDowell" awareness 3.) Promote county-wide signage with branding	1	4	1/1/2009	
<b>PROJECT TWO: SUPPORT ENTREPRENEURIAL COMMUNITY</b>						
McDowell Community College	Become a Certified Entrepreneurial Community (CEC) through Advantage West	<b>Inputs:</b> 1.) SBC will coordinate the CEC process 2) SBC will offer more entrepreneurship training in natural foods and products, to the youth of the county and to existing small businesses. <b>Outputs:</b> 1.Business growth and job creation.	12	18	6/30/2009	\$50,000

Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
McDowell County Schools	Expand training opportunities	<b>Inputs:</b> 1) Expand the job shadowing program offered to students in both junior high schools to include more local small businesses. 2) Virtual High School classes offered at MHS in 2008-2009 to increase offerings in technology and foreign language. <b>Outputs:</b> 1) Students will possess more marketable skills in the global economy. 2) Positive attitudes of students towards small business ownership.			8/1/2008	
McDowell Chamber of Commerce	Provide services to existing businesses which enhance profit-potential  Provide response to businesses considering start-up or location in McDowell County.	<b>Inputs:</b> 1) Provide advertising costs for "Shop Local" campaign and training workshops 2) Administrative resources to provide resources for "Shop Local" program and training workshops. <b>Outputs:</b> 1) A needs assessment of data collected from 65 plus local businesses.				
Marion Business Association	Create and strengthen entrepreneurial opportunities in Marion Business Districts, in the Central Business District and supporting commercial areas.	<b>Inputs:</b> 1.) Support McDowell Arts Council small business effort for artist entrepreneurial training. 2.) Provide, in partnership with the Small Business Center, small business trainings 3.) Encourage property owners to provide scaled rent rate to new and expanding businesses 4.) Coordinate promotions that increase consumer traffic flow 5.) Organize events that bring community to downtown area. <b>Output:</b> 1.) New business owners that are better equipped to operate a small business 2.) Less small business turn-over 3.) Stronger partnerships with property owners and quality small business owners.	6	12		1/1/2009

Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
<b>PROJECT THREE: ESTABLISH AND STRENGTHEN TECHNOLOGICAL INFRASTRUCTURE</b>						
McDowell Community College	Provide training seminars on how and the advantage of promoting a business on the web	<b>Inputs:</b> 1)SBC will conduct seminars as requested and needed  <b>Outputs:</b>	4	6		
McDowell Chamber of Commerce	Provide broadband service to un-served/under-served areas of McDowell County	<b>Inputs:</b> 1) Mapping of ISP coverage areas in McDowell County. 2) Mapping of electric utility grids in McDowell County. 3) Chamber committee established to perform research and development action plan 4) Chamber staff to administer committee process. 5) Conduct field trips to consult with regional broadband agencies.  <b>Outputs:</b> 1) Face-to-face dialogue with management principals of all local ISPs, which produce cooperative attitude from ISPs 2) Grant funds to prepare RFI and RFP to submit to area ISPs to seek commitments for broadband services to targeted areas.	20	40	1/1/2008 - 2011	\$30,000
McDowell County Schools	Provide technological training to students.	<b>Inputs:</b> 1) 1 to 1 Initiative: Laptop computers for all Early college students in 2008-2009. 2) Virtual High School classes offered at McDowell High School in 2008-2009 to increase offerings in technology and foreign language.  <b>Outputs:</b> 1) Students will possess more marketable skills in the global economy.				

Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
Marion Business Association	Expand and provide free wireless internet service in the Central Business District to stimulate consumer traffic in the business district. Provide wireless interface with local farm and agriculture community, most whom do not have internet access	<b>Inputs:</b> 1.) Define the Central Business District land area for WiFi 2.) Partner with local STEP community, Valdese, to seek funding sources 3.) Promote businesses that welcome WiFi users  <b>Outputs:</b> 1.) Business growth in Central Business District when identified as WiFi "Hot Spot" 2.) Regional partnership with Valdese.	2	6	1/1/2009	
PROJECT FOUR: 21ST CENTURY INNOVATOR COMMITTEE						
McDowell County Community College Small Business Center	Explore opportunities to utilize new technologies to reach people globally and network with other innovators from across the world to exchange information and build relationships	<b>Inputs:</b> 1) SBC will offer training sessions on new technologies such as Second Life and Web 2.0  <b>Outputs:</b>	4	7	6/30/2009	

Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
McDowell County Schools	Increase global thinking and foster open-minded thinking.	<b>Inputs:</b> 1) Teacher exchange with another country: Pay travel expenses 2) Student exchange with another country: Provide for travel and some expenses abroad. 3) Invite foreign faculty through the Visiting International Faculty program for a semester of teaching in McDowell County. 4) Openly receive visiting students from abroad. 5) Develop sister schools with international entities. <b>Outputs:</b> 1) A better understanding of cultures and religions. 2) Relationships with international schools, faculty, and students increase global awareness among McDowell County citizens.			8/1/2008	
Marion Business Association	Increase awareness of changing trends for employment and consumer habits.	<b>Inputs:</b> 1.) Community Vision/Innovator Committee to meet regularly for discussion and explore trends and new ideas 2.) Create awareness of technology trends 3.) Encourage preparedness for changes in community <b>Outputs:</b> 1.) Better prepared workforce 2.) Adaptive trends in education 3.) Better use of technology 4.) Broader diversity of community 5.) Better inclusiveness of minorities			8/1/2008	

Participant	Goal	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
<b>PROJECT FIVE: IMPROVE WATER AND SEWER INFRASTRUCTURE</b>						
City of Marion	Provide adequate water and sewer infrastructure to support sustainable economic growth.	<b>Inputs:</b> 1) Evaluate future adequacy of water supply and opportunities for off-stream impoundments for the development of emergency water intake on the Catawba River for use in drought conditions 2) Update Capital Improvement Plan 3) Encourage cooperative water and sewer systems throughout the county and extend water and sewer lines as necessary to accommodate future growth such as Sugar Hill Rd to I-40 Interchange. 4) Replace aging and undersized water and sewer lines to increase capacity and efficiency. 5) Implement the elimination and minimization of inflow and infiltration of wastewater system and reduce number of discharge points 6) Eliminate Catawba River WWTP, upgrade Corpening Creek WWTP to a 3 million gal. Per day facility to meet current and future regulations.  <b>Output:</b> 1.) Access to water and sewer will allow for business growth in underserved areas. 2.) Efficient and stable services to accommodate future growth. 3.) Job creation as the result of new commercial growth.	10	150	Ongoing	\$4 Million
Marion Business Association	Increase base for business expansion and growth	<b>Inputs:</b> 1.) Support City of Marion effort for funding and implementation  <b>Outputs:</b> 1. Sufficient and updated water and sewer capabilities				

Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
<b>PROJECT SIX: DOWNTOWN DEVELOPMENT CENTER</b>						
McDowell Community College	Conduct a feasibility study to identify market potential, versatility of retail use, location and cost.	<b>Inputs:</b> 1) SBC will coordinate the feasibility study <b>Outputs:</b> 1) Higher success rate and retention of new businesses and entrepreneurs.	7	14	6/30/2010	
McDowell Arts Council	Develop a facility that supports local artisans develop, market, and sell their art, craft, and other handmade goods.	<b>Inputs:</b> 1) Provide space within the MACA building for artisans to establish a gift shop 2) Provide business training workshops to artisans. 3) Provide financial support for access to advanced technical training in artisan's field through grant funding opportunities. <b>Outputs:</b> 1) New retail establishment on Main Street in Marion. 2) Access to low cost space to sell, market and promote arts, crafts, and handmade goods. 3) Elevate knowledge and skills of artisans in their areas of specialization.	15	3	9/1/2008	



Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
McDowell Arts Council	Develop a plan to provide for a multi-use cultural arts facility in downtown Marion.	<b>Inputs:</b> 1) MACA will work with NCPathways to create an operations and management plan to identify opportunities and constraints to efficiency and management of current and future operations at MACA. 2) Hire a consultant to create architectural plans, renderings, and cost estimate for phased rehabilitation to offer additional space for artisan workshop space, classroom/meeting rooms, expanded gallery and gift shop, and permanent theater. 3) Seek funding for rehabilitation of MACA Building (phased development plan).  <b>Outputs:</b> 1) A new multi-use cultural arts facility that will provide the community with greater exposure to the arts. 2) A facility that can adapt to the needs of the community and host an array of special events, meetings, conferences, and/or training space.	1	4	2009-2013	
Marion Business Association	Expand outreach of McDowell Arts Council Association (MACA) for local artisan retail opportunities.	<b>Inputs:</b> 1.) Support MACA's retail center 2.) Train artisans with small business training, i.e. REAL 3.) Expand regional craft retail opportunities into other available buildings.  <b>Outputs:</b> 1.) Increase retail market for local community 2.) Expand and optimize use of MACA building 3.) Artist that can effectively operate a small business				

Participant	Objective	Resources/Products (Inputs and outputs)	New Businesses	New Jobs	Anticipated Start Date	Projected STEP Funding Needs
<b>PROJECT SEVEN ADAPTIVE REUSE/BROWNFIELD REDEVELOPMENT - MULTI-USE FACILITY</b>						
Partnership Team: Isothermal Regional Planning Commission City of Marion McDowell County Marion Business Association	Identify brownfield redevelopment sites and provide resources and technical assistance cleanup and rehabilitation.	<b>Inputs:</b> 1) Conduct feasibility study to identify market potential, versatility of use, location, risks, and cost. 2) Identify and establish public/private partnership for funding and development. 3) Public acquisition/ private acquisition assistance of desired site and development plans 4) Development of self-supporting management and operations plan  <b>Outputs:</b> 1.) Reuse of abandoned and underutilized properties 2.) Spur commercial development in brownfield areas. 3.) Preserve natural resources. 4.) Revitalize large visually unattractive areas. 5.) Increase property values on-site and within surrounding area.			8/20/2008	
Chamber of Commerce/Private development Management Firm	Provide a facility to serve local and regional demand for event and meetings that is financially sustainable.	<b>Inputs:</b> 1) \$200,000 dollars local in-kind match funds. 2) Hire consulting firm to conduct feasibility study.  <b>Outputs:</b> 1.) Feasibility study to determine potential market for facility. 2) A multi-use facility for meetings and conferences.	2	50	3/1/2008 - 2011	
<b>Total New Businesses and New Jobs</b>			<b>65</b>	<b>292</b>		<b>\$190,000</b>

## APPENDIX B

### GRANT FUNDING OPPORTUNITIES MATRIX AND SUMMARY DESCRIPTION

GRANT FUNDING MATRIX				
ORGANIZATION TITLE	Infrastructure Development	Community Development	Economic Development	Workforce Development
<b>APPALACHIAN REGIONAL COMMISSION</b>				
Area Development Program	✓			
Asset-Based Development Initiative			✓	
Telecommunications Initiative	✓			
Entrepreneurship Initiative			✓	
Business Development Revolving Loan Fund Grants			✓	
Inter-modal Transportation	✓			
Local Development District Program			✓	
<b>US DEPT OF AGRICULTURE</b>				
<b>USDA: NATIONAL RESOURCES CONSERVATION SERVICE</b>				
RESOURCE CONSERVATION & DEVELOPMENT				✓
<b>USDA: FOREST SERVICE</b>				
Urban and Community Forestry Program		✓		
<b>USDA: RURAL ECONOMIC &amp; COMMUNITY DEVELOPMENT</b>				
Rural Community Development Initiative (RCDI)				✓
Business & Industrial Loan Guarantee Program (B & I)			✓	
Intermediary Re-lending Program (IRP)			✓	
Rural Business Enterprise Grants Program (RBEG)			✓	
Rural Economic Development Loan & Grant Program (REDLG)		✓		
Rural Business Opportunity Grant Program (RBOG)			✓	
Section 9006 Grant Program				✓
Section 9006 Loan Program				✓

Section 9008 Biomass and Development Research Initiative				✓
Rural Cooperative Development Grant			✓	
Value-Added Producer Grants (VAPG)			✓	
Water and Waste Loan & Grant Program	✓			
Rural Development Broadband Loan and Loan Guarantee Program	✓			
Infrastructure Loans	✓			
Community-Oriented Connectivity Broadband Grant Program		✓		
Rural Public Television Grant	✓			
Rural Utilities Service (RUS) Telecommunications Program	✓			
Distance Learning and Telemedicine Loan and Combination Loan-Grant Programs		✓		
<b>US DEPT. HOUSING AND URBAN DEVELOPMENT</b>				
CBDG	✓			
<b>US DEPT. OF COMMERCE</b>				
<b>Economic Development Administration</b>				
Economic Development Assistance Program	✓			
Advanced Technology Program				✓
<b>Administration for Children and Families</b>				
<b>Office of Community Services</b>				
Opportunities for Low-Income Individuals (JOLI) program			✓	
<b>North Carolina Grants</b>				
NC Rural Center	✓	✓	✓	✓
Clean Water Management Trust Fund	✓	✓		
<b>Other Grants &amp; Funding Opportunities</b>				
National Science Foundation				✓
National Institute on Aging				✓
National Institutes of Health Research on the Economics of Diet, Activity, and Energy Balance				✓

<b>SUMMARY DESCRIPTION OF GRANT FUNDING SOURCES</b>		
<b>APPALACHIAN COMMISSION</b>	<b>REGIONAL</b>	
<b>Area Development Program</b>		ARC's Area Development Program seeks to augment the Highway Program and directly address ARC's five goal areas of education, workforce training, physical infrastructure, civic capacity and leadership, business development, and health care. Five Initiatives Include:
<b>Asset-Based Development Initiative</b>		ARC's Asset-Based Development Initiative seeks to help communities identify and leverage local assets to create jobs and build prosperity while preserving the character of their community.
<b>Telecommunications Initiative</b>		ARC's Information Age Appalachia telecommunications and information technology program was created to promote the development of telecommunications in Appalachia, with a special focus on helping the Region's distressed counties.
<b>Entrepreneurship Initiative</b>		The Entrepreneurship Initiative is a multi-year, \$31 million effort that seeks to provide communities with tools to assist entrepreneurs in starting and expanding local businesses.
<b>Business Development Loan Fund Grants</b>	<b>Revolving</b>	Business development revolving loan funds are pools of money used by grantees for the purpose of making loans to create and retain jobs. As loans are repaid, money is returned to the fund and made available for additional loans.
<b>Inter-modal Transportation</b>		ARC supports research, planning, and development activities designed to improve accessibility to the Region's transportation resources as well as the responsiveness of those resources. ARC funds are used to help improve and coordinate the Region's comprehensive inter-modal transportation network, including aviation, local transit, railways, and inland waterways, so that it can actively support the businesses, communities, and people of Appalachia.
<b>Local Development District Program</b>		ARC works with communities through state and regional agencies (McDowell designated in 7C -Isothermal Planning & Dev. Comm.) to determine and address the most pressing local needs.
<b>US Dept of Agriculture</b>		
<b>USDA: Conservation Service</b>	<b>National Resources</b>	
<b>Resource Development</b>	<b>Conservation &amp;</b>	The purpose of the Resource Conservation and Development (RC&D) program is to accelerate the conservation, development and utilization of natural resources, improve the general level of economic activity, and to enhance the environment and standard of living in designated RC&D

	areas. (McDowell - Mountain Valleys RC & D)
<b>USDA: Forest Service</b>	
<b>Urban And Community Forestry Program</b>	Provide technical and financial assistance to help improve the livability of cities and communities through managing urban forest resources to promote a healthy ecosystem.
<b>USDA: Rural Economic &amp; Community Development</b>	
<b>Rural Community Development Initiative (RCDI)</b>	The Rural Community Development Initiative (RCDI) program provides technical assistance and training funds to qualified intermediary organizations to develop their capacity to undertake housing, community facilities, and community and economic development projects in rural areas.
<b>Business &amp; Industrial Loan Guarantee Program (B &amp; I)</b>	The purpose of the B&I Guaranteed Loan Program is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities. This purpose is achieved by bolstering the existing private credit structure through the guarantee of quality loans, which will provide lasting community benefits. It is not intended that the guarantee authority will be used for marginal or substandard loans or for relief of lenders having such loans.
<b>Intermediary Relending Program (IRP)</b>	The purpose of the IRP program is to alleviate poverty and increase economic activity and employment in rural communities. Under the IRP program, loans are provided to local organizations (intermediaries) for the establishment of revolving loan funds. These revolving loan funds are used to assist with financing business and economic development activity to create or retain jobs in disadvantaged and remote communities. Intermediaries are encouraged to work in concert with State and regional strategies, and in partnership with other public and private organizations that can provide complimentary resources.
<b>Rural Business Enterprise Grants Program (RBEG)</b>	The RBEG program provides grants for rural projects that finance and facilitate development of small and emerging rural businesses help fund distance learning networks, and help fund employment related adult education programs. To assist with business development, RBEGs may fund a broad array of activities.

<b>Rural Economic Development Loan &amp; Grant Program (REDLG)</b>	The REDLG program provides funding to rural projects through local utility organizations. Under the REDLoan program, USDA provides zero interest loans to local utilities, which they, in turn, pass through to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas. The ultimate recipients repay the lending utility directly. The utility is responsible for repayment to the Agency. Under the REDGrant program, USDA provides grant funds to local utility organizations, which use the funding to establish revolving loan funds. Loans are made from the revolving loan fund to projects that will create or retain rural jobs. When the revolving loan fund is terminated, the grant is repaid to the Agency.
<b>Rural Business Opportunity Grant Program (RBOG)</b>	The RBOG program promotes sustainable economic development in rural communities with exceptional needs through provision of training and technical assistance for business development, entrepreneurs, and economic development officials and to assist with economic development planning.
<b>Section 9006 Grant Program</b>	The Section 9006 Grant Program provides grants for agricultural producers and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements. The emergence of a viable renewable energy markets represents a historic opportunity for job and wealth creation in rural America.
<b>Section 9006 Loan Program</b>	The Guaranteed Loan Program encourages the commercial financing of renewable energy (bioenergy), geothermal, hydrogen, solar, and wind) and energy efficiency projects. Under the program, project developers will work with local lenders, who in turn can apply to USDA Rural Development for a loan guarantee up to 85 percent of the loan amount. The emergence of a viable renewable energy market represents a historic opportunity for job and wealth creation in rural America.
<b>Section 9008 Biomass And Development Research Initiative</b>	The U.S. Department of Energy (DOE) and the U.S. Department of Agriculture (USDA), Rural Development jointly solicit applications for financial assistance addressing research and development of biomass based products, bioenergy, biofuels and related processes. The Program is intended to promote innovation and development related to biomass. It supports the Biomass Research Development Act of 2000, Section 9008 of the 2002 Farm Bill, the Healthy Forest Restoration Act of 2003, the Energy Policy Act of 2005, and stated Federal policy.

<b>Rural Cooperative Development Grant</b>	Rural Cooperative Development grants are made for establishing and operating centers for cooperative development for the primary purpose of improving the economic condition of rural areas through the development of new cooperatives and improving operations of existing cooperatives. The U.S. Department of Agriculture desires to encourage and stimulate the development of effective cooperative organizations in rural America as a part of its total package of rural development efforts.
<b>Value-Added Producer Grants (VAPG)</b>	Grants may be used for planning activities and for working capital for marketing value-added agricultural products and for farm-based renewable energy. Eligible applicants are independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures.
<b>Water And Waste Loan &amp; Grant Program</b>	To develop water and waste disposal (including solid waste disposal and storm drainage) systems in rural areas and towns with a population not in excess of 10,000. The funds are available to public entities such as municipalities, counties, special-purpose districts, Indian tribes, and corporations not operated for profit. R U S also guarantees water and waste disposal loans made by banks and other eligible lenders.
<b>Rural Development Broadband Loan And Loan Guarantee Program</b>	The Rural Broadband Access Loan and Loan Guarantee Program is designed to provide loans for funding, on a technology neutral basis, the costs of construction, improvement and acquisition of facilities and equipment to provide broadband services to eligible rural communities. The Programs' goal is to ensure that rural consumers enjoy the same quality and range of telecommunications services that are available in urban and suburban communities.
<b>Infrastructure Loans</b>	USDA Rural Development continues to provide many programs for financing rural America's telecommunications infrastructure. The traditional "telephone" loan program, consisting of hardship, cost of money, and guaranteed loans, finances voice telephone service, and since 1995, every telephone line this program has constructed has been capable of providing broadband service using digital subscriber line (DSL) technology.
<b>Community-Oriented Connectivity Broadband Grant Program</b>	The Community-Oriented Connectivity Broadband Grant Program is designed to provide financial assistance in the form of grants to eligible applicants that will provide currently un-served areas, on a "community-oriented connectivity" basis, with broadband transmission service that fosters economic growth and delivers enhanced education, health care, and public safety services.



<b>Rural Public Television Grant</b>	These grants assist Public Television Stations serving substantial rural populations in transitioning to digital broadcast television transmission, as mandated by the Federal Communications Commission. Grant funds may be used to acquire and install facilities and software necessary for the transition. Grant funds may also be used for associated engineering and environmental studies.
<b>Rural Utilities Service (RUS) Telecommunications Program</b>	The Rural Utilities Service (RUS) Telecommunications Program assists the private sector in developing, planning and financing the construction of telecommunications infrastructure in rural America. The RUS program is dedicated to lend to the limits of the RE Act definition of "telephone service". Where prudent, we are changing our regulations to provide the greatest amount of flexibility necessary to meet the challenges of ensuring that high quality, affordable, advanced services are deployed in rural America.
<b>Distance Learning And Telemedicine Loan And Combination Loan-Grant Programs</b>	The Distance Learning and Telemedicine (DLT) Program offers three funding opportunities for applicants to consider. DLT grants are made annually on a competitive basis, are highly focused into the neediest and most rural areas, and limit eligible purposes to the most cost-effective elements in a distance-learning and telemedicine network - the application interface devices. Complementing the grant program, the DLT Loan and Combination Loan-Grant Programs offer applicants larger possible dollar amounts, more comprehensive eligible purposes, and more certain application results. These programs are non-competitive, making awards on a first come, first served basis. They can fund everything a DLT grant can fund, plus telecommunications infrastructure, buildings, vehicles, and certain operating expenses.
<b>Us Dept. Housing And Urban Development</b>	
<b>CBDG</b>	HUD gives block grants to participating states, which allocate the funds to units of local government that carry out development activities principally for people with low and moderate incomes. Funded activities include wastewater, drinking water, and economic development projects.
<b>Us Dept. Of Commerce</b>	
<b>Economic Development Administration</b>	
<b>Economic Development Assistance Program</b>	The Economic Development Administration (EDA) provides grants to economically distressed areas for public works projects, including water and wastewater facilities.

<b>Advanced Technology Program</b>	ATP provides cost-shared multi-year funding to single companies and to industry-led joint ventures to accelerate the development of challenging, high-risk technologies with the potential for significant commercial payoffs and widespread benefits for the nation. This unique government-industry partnership aids companies in accelerating the development of emerging or enabling technologies that lead to revolutionary new products and industrial processes and services that can compete in rapidly changing world markets.
<b>Administration For Children And Families</b>	
<b>Office Of Community Services</b>	
<b>Small Business Innovative Research Program</b>	This program helps to strengthen the role of small business to meet Federal research and development needs. Grant will fund up to \$75,000, focusing on increasing the commercial application of research, and improving the social benefits.
<b>Opportunities For Low-Income Individuals (JOLI) Program</b>	The Office of Community Services' (OCS) Job Opportunities for Low-Income Individuals (JOLI) program helps low-income individuals achieve economic self-sufficiency. Grantees assist participants in overcoming the identified personal and systemic barriers to employment, job retention and self-sufficiency. Grantees may use their JOLI program funding to provide technical and financial assistance to private employers in the community to assist them in creating employment and business opportunities for low-income individuals. Grantees also create a revolving loan fund and make at or below market rate loans to eligible beneficiaries for business development activities.D52
<b>State Grants</b>	
<b>NC Rural Center</b>	
<b>Economic Infrastructure Program</b>	
<b>Economic Infrastructure Fund (EIF)</b>	The EIF program supports water or sewer projects directly related to business creation and expansion. Such projects include the upgrade or repair of treatment plants, improvements to existing distribution or collection lines, or the extension of water or sewer lines. The program provides up to \$10,000 for each job created, to a maximum of \$500,000 or one-half the total project cost, whichever is less. The business(es) targeted by the project must sign a performance agreement with the local government pledging to repay spent funds if job creation falls short. The jobs must be full time, paying at least minimum wage and conveying all benefits due other employees in the same classification. They should be in place within one year after substantial completion of the project.
<b>Supplemental Grants Program/Clean Water Partners Infrastructure Grant</b>	This program enables local governments and qualified non-profit corporations to improve local water and sewer systems.

	Projects may address public health and environmental critical needs. The maximum grant amount for this program is \$500,000.
<b>Planning Grants Program</b>	The Planning Grants Program provides funding for local governments to undertake planning efforts that support strategic investments in water and sewer facilities. Funds typically are used to prepare preliminary engineering reports, master water/sewer plans, capital improvement plans, water/sewer feasibility studies, rate studies and grant applications. The maximum grant amount for this program is generally \$40,000.
<b>Building Reuse Initiative</b>	Two types of grants are available through this program. Predevelopment grants of \$25,000 to cover the cost of an initial study or other activity necessary to secure commitments from a business or investors. Development grants of up to \$400,000 are awarded to projects ready for renovation and must be matched by at least an equal amount of private and public funds. Awards are limited to local governments in rural counties or the most economically distressed urban areas, with priority given to towns with fewer than 5,000 people.
<b>NC Rural Center CDC Grant Program</b>	
	Category I: New CDCs - These are CDCs that 1) have not previously received state funds for community development projects 2) are in the early stages of organizational development, or 3) have not demonstrated substantial project capacity. The maximum grant award for this category is \$45,000.
	Category II: Previously Funded CDCs -These are CDCs that have received grant awards from the Rural Center in the past. Funding in this category assists in financing a specific project(s) and in sustaining the ongoing efforts of the organization. Past performance must be clearly documents. The maximum grant award in this category is \$65,000.
<b>Economic Innovation Grants Program</b>	
<b>Community Innovation Investments Program</b>	This program provides seed grants to jump-start innovative economic development projects or to expand projects that have shown a return on investment and have the potential for further job growth. Such initiatives might include natural resource-based strategies, arts-based economic development projects, tourism, recreation and innovative uses of technology to encourage economic activity. Priority will be given to projects that have a plan of action to ensure sustainability, that were identified through community planning efforts, that link to other economic development and community-building initiatives and that place an emphasis on the involvement and growth of local businesses and entrepreneurs. The maximum grant award is \$75,000.

	Additional public and private investments should equal at least 20 percent of the requested grant amount. Projects must show that private sector jobs will be created and/or business activity increased within 24 months of the grant award.
<b>Economic Stimulus Investments</b>	This program seeks to fund projects that use multiple and integrated strategies to create new jobs and businesses in rural and/or distressed areas. Such strategies might, for example, focus on fostering industry clusters based on regional innovation initiatives; encouraging industrial modernization or agricultural transition; applying new or emerging technologies; or developing new economic engines in transitional rural economies. Appropriate projects also may cultivate public-private partnerships and collaborations with educational institutions to develop economic opportunities. The maximum grant amount is \$400,000. Additional public and private investments should equal at least 20 percent of the requested grant amount.
<b>Rural Venture Fund</b>	The Rural Venture Fund offers a variety of investments, from equity to subordinated debt, specifically designed for qualified businesses in economically distressed (tier one) counties of North Carolina. Investments carry the expectation of a return, but on less demanding terms and over a longer period of time than required by traditional venture capital. Through their growth, these businesses will create jobs and build wealth where they are needed most. Target companies for investments will typically be classified as higher risk and in need of capital in the range of \$50,000 to \$350,000.
<b>Clean Water Management Trust Fund (CWMTF)</b>	CWMTF receives a direct appropriation from the General Assembly in order to issue grants to local governments, state agencies and conservation non-profits to help finance projects that specifically address water pollution problems. CWMTF will fund projects that (1) enhance or restore degraded waters, (2) protect unpolluted waters, and/or (3) contribute toward a network of riparian buffers and greenways for environmental, educational, and recreational benefits.
<b>CWMTF Mini-Grant Program</b>	CWMTF provides small grants for pre-acquisition application costs not to exceed \$25,000. These grants will be made to any eligible applicant for reimbursement of up to 80% of real costs for appraisals, environmental audits, survey work and the purchase of options on properties wherein 50% or more of the property lies within 300 feet of certain state surface waters.
<b>Other Misc Grants &amp; Funding</b>	

Opportunities	
<b>National Institute On Aging</b>	The National Institute on Aging (NIA) invites applications for research on retirement economics. The research objectives of this funding opportunity announcement (FOA) include, but are not limited to: (1) the determinants of retirement behavior, (2) the variation in work patterns in later life, (3) the evolution of health and economic circumstances of individuals through retirement and into later life, (4) time use and life satisfaction before and during retirement, (5) the implications of retirement trends, (6) retirement expectations, (7) international comparisons of retirement and (8) the development of innovative retirement modeling techniques.
<b>National Institutes Of Health Research On The Economics Of Diet, Activity, And Energy Balance</b>	Obesity has become a major focus of public health efforts at the national, State, and local levels. The major focus of this FOA is to solicit projects that enhance the state-of-the-science on the causes of obesity and to inform Federal decision making on effective public health interventions for reducing the rate of obesity in the United States. Research strategies that nest economic analysis within a broader interdisciplinary context of other social and behavioral sciences as well as the epidemiological, bio-statistical, medical, and biological disciplines relevant to public health policy are especially encouraged.
<b>Progress Energy Grant</b>	Progress energy grants primarily focus in areas of education, economic development, the environment and employee involvement. They range from a few hundred to a few thousand dollars.

## **APPENDIX C**

### **COMMUNITY PRIORITIES**

#### **LAND USE ELEMENT**

##### **REVISE ZONING ORDINANCE**

- Establish a comprehensive and consistent unified development code that reflects the goals and strategies of the comprehensive plan.
- Develop a program that will provide meaningful incentives for development activities associated with the rehabilitation or adaptive reuse of existing buildings within the City.
- Create design standards for modular commercial buildings and prohibit the use of accessory structures and trailers for commercial and residential use in commercially zoned districts.
- Define the history of Marion by identifying land uses important as places to the community that are consistent with the city's historic resources.
- Identify areas and opportunities for public space that promotion of civic capital.
- Enhance code enforcement for historic preservation and potential historical structures through the development and adoption of a historic preservation ordinance.
- Develop a clear and defined process for the rehabilitation of historic resources through the historic preservation ordinance.
- Promote high-density-infill development and adaptive reuse of existing vacant buildings within the city to protect green open spaces, farmland, and other natural resources that are an integral part of our rural economy and local heritage.
- Adapt current regulations to encourage outdoor dining and design guidelines and nonconformities
- Amend zoning regulations to allow temporary signs for the purpose of promoting special events and other civic activities taking place within the community.
- Improve appearance of the entrance corridors into the City of Marion
- Bring zoning regulations in to compliance with the Federal Flood Damage prevention Ordinance to protect the community.
- Revise zoning regulations to establish a special flood hazard area (SFHA) overlay district that will provide regulations that will allow for greater flexibility of design standards in the form of setback reductions or transfer of development rights (TDR) that will enable property owners to develop land outside the SFHA.
- Encourage good design when constructing new public buildings. Encourage designs that reflect the pride and stability of the community. Create buildings that stimulate civic pride and prohibit metal and modular buildings that look temporary and flimsy.

## **ANNEXATION & ETJ**

- Study the feasibility establishing an extraterritorial jurisdiction (ETJ), and if feasible establish the jurisdiction.
- Consider the annexation of qualified residential properties that are contiguous to the city limits.

## **RESIDENTIAL LAND USES**

- Restrict mobile homes in the R-2 General Residential Zoning District.
- Create a mobile home park zoning district designation that incorporates development standards.
- Provide incentives to property owners to develop residential uses on upper-levels of existing multi-story buildings in downtown.
- Preserve current residential land use in the downtown area including those located in commercial zoning districts.
- Encourage redevelopment and adaptive reuse of vacant and underutilized properties for mixed use and residential.

## **RECREATION AND LAND USES**

- Establish a recreation and open space land use classification and zoning district designation.
- Adopt regulations that require a proportionate degree of landscaping and open space of property that is developed within the city to improve appearance and protect the natural environment.

## **DOWNTOWN ELEMENT**

- Preserve commercial/residential uses in and around downtown that promote outdoor dining, niche retail, and markets that provide locally and regionally produced goods.
- Develop zoning regulations that prohibit street-level parking lots that front on Main Street in the Central Business District.
- Amend the zoning regulations to require that all new parking lots located in the Central Business District comply with the parking lot landscaping standards in the City Code.
- Encourage owners of existing parking lots located within the Central Business District to bring their properties into compliance with the landscaping standards of the City Code.
- Utilize the Historic Marion Foundation to help preserve, protect, and enhance uses important to Marion.



## **ECONOMIC DEVELOPMENT ELEMENT**

### **BUSINESS RETENTION & RECRUITMENT**

- Promote and enhance small business assistance programs
- Support retail incubator downtown for specialty goods and services
- Conduct a study to determine the feasibility of establishing and providing wireless internet services in the central business district.
- Be more aggressive in attracting retail and other small business to downtown.
- Actively seek partnerships and establish agreements to spur interest in the redevelopment of underutilized or vacant industrial and commercial brownfield sites.
- Develop and encourage a loan pool or loan fund for entrepreneurs.
- Promote affordable living and abundant amenities as a recruitment tool for attracting new businesses to the community.

### **Support entrepreneurial development**

- Support arts and crafts based entrepreneurship and seek opportunities to enhance efforts of distribution and marketing of locally produced goods.
- Enhance assistance to minority populations in an effort to support business development through training and technical assistance.
- Create and promote an identity for products and services that are made or offered in McDowell County.

### **HISTORIC & NATURAL RESOURCE KEY TO ECONOMIC SUCCESS**

- Make historic preservation, cultural heritage, and tourism a top priority for economic development.
- Promote cultural arts
- Protect natural resources while enhancing public accessibility in order to provide nature-based opportunities that will have a positive impact on the rural economy.
- Encourage entrepreneurial efforts for zoo/nature center, and other nature-based businesses
- Consider the employment of an urban arborist.

### **PUBLIC INVESTMENT TO PUBLIC SPACES**

- Study alternatives and create a plan for improving traffic flow patterns and other streetscape features in the downtown area that will create a more inviting atmosphere for both the motorist and the pedestrian.
- Expand access to technology by bringing wireless access downtown and promoting broadband access county-wide.



- Improve appearance of the entrance corridors into the City of Marion
- Design sidewalks and public spaces to be more pedestrian and bicycle friendly that will enable the community to enjoy a healthier lifestyle.

## **BUILD ECONOMIC TOOLS**

- Develop economic development strategies for aggressive retail and restaurant recruitment.
- Create aggressive branding and marketing campaign
- Strengthen public web services and encourage private businesses to enhance their web presence in an effort to communicate and promote all that Marion has to offer.
- Educate business community of the importance of using technology and a wider variety of advertising methods
- Develop a good marketing tool for commercial development; both written and in e-document
- Educate public of available business assistance programs (example – regular newspaper column)
- Establish a community innovator advisory committee that explores emerging trends occurring globally that can be applied locally
- Develop a partnership with other communities in the region and in the Blue Ridge National Heritage Area (BRNHA) to enhance Marion's ability to participate in regional economic initiatives.

## **PARTNERSHIPS**

- Build partnerships with other organizations and communities within the region to enhance and sustain greater economic prosperity.

## **DOWNTOWN ELEMENT**

### **Design Guidelines**

- Adopt design guidelines that protect the integrity of Marion's historic districts and historic landmarks.
- Establish a design review committee (DRC) made up of architects, designers, landscapers, or other individuals with similar backgrounds that can offer technical experience and advice to assist property owners with identifying acceptable solutions to design issues.
- Prohibit additional off-street parking lots fronting on Main Street and improve the appearance of existing parking lots with additional landscaping and public amenities (e.g. bicycle racks, lighting, benches).
- Encourage property owners to maintain character and integrity of historic property
- Support efforts to preserve local historic buildings by establishing an incentive program and offering technical assistance to property owners for rehabilitation.

### **Enhancement Programs**

- Work with MACA and downtown business and property owners to establish an arts program for vacant store fronts.
- Distribute façade grant funds to encourage voluntary compliance to design guidelines with incentives for timely compliance.
- Seek opportunities to expand landscaping program to further beautify downtown in an effort to attract more business and patrons.
- Identify existing funding and/or create financial incentives for historic preservation efforts
- Enhance small business assistance programs and support efforts of a retail incubator
- Establish wireless internet service downtown.
- Identify and implement strategies to be more aggressive in specialty retail and restaurant recruitment downtown
- Establish a program to inform property owners of the value of historic buildings and provide materials and technical assistance to help them through the historic preservation designation and/or rehabilitation process.
- Create an incentive package for residential upper level housing downtown, ie. Loan Pool (low interest) and tax deferment

### **Streetscape Improvements**

- Adopt the Marion Downtown Streetscape Master Plan as part of the City's Comprehensive Plan and seek funding to implement the plan.

- Erect public way-finding signage that reflects the character of historic downtown including the establishment of a permanent event kiosk
- Seek out opportunities for the enhancement and addition of green space and landscaping to improve the appearance of downtown.
- Connect downtown sidewalks to urban trails and greenway system.
- Seek to reclaim old alleys in order to reopen such areas for public space and pedestrian accessibility.
- Add benches, water fountain, public art and other attractive hardscape features in public spaces downtown.
- Establish more landscaping and encourage more trees in design of public spaces.
- Incorporate decorative lamp posts along all streets within the downtown.
- In association with other incentives to encourage upper-level residential living downtown, the City shall establish a residential parking program that includes the use of public parking areas and encouraging the use of shared parking with local businesses during non-business hours.

#### **Public Spaces for Street Vendors and Events**

- Provide public areas to accommodate an outdoor market, outdoor dining, special event signage, and central special event sign(s).
- Review and amend the Downtown Overlay District to designate a public space for the promotion of local and regional produced goods.
- Have more outdoor special events including weekly farmers market, art shows, and concerts.
- Build a pavilion at gazebo for bands and other special events.
- Encourage and promote cultural arts by providing appropriate areas for the display and sale of arts.
- Provide clean and safe public bathrooms as an amenity for patrons visiting downtown.

## **HISTORIC PRESERVATION ELEMENT**

### **Ordinance & Commission**

- Create a Historic Preservation ordinance that will include the establishment of a Historic Preservation Commission.
- Seek to establish Certified Local Government (CLG) status with the North Carolina State Historic Preservation Office.
- Streamline historic preservation process for property owners
- Support efforts of historic preservation of local landmarks and districts.
- Educate the public that historic preservation promotes sustainable development practices because it reduces the amount of undeveloped land required for new construction.

### **Inventory & Guidelines**

- Seek Certified Local Government (CLG) status with the North Carolina State Historic Preservation office.
- Conduct and maintain a historic survey to inventory sites within the City of Marion that are listed on the National Register of Historic Places as well as those sites that have the potential to be listed on the national register or are of local significance.
- Identify significant, potentially significant and endangered historic architectural landmarks and districts including local mills and their associated villages.
- Develop design standards and guidelines for designated historic properties that are consistent with State Historic Preservation Office guidelines and the Secretary of the Interior's Standards for Historic Preservation.
- Identify grant funding opportunities and market tax credit programs available to property owners to encourage volunteer compliance with design guidelines and establish incentives for preservation and protection.
- Enhance code enforcement regulations for the protection against harm or destruction of historic and cultural resources and potential historic and cultural resources.
- Identify significant, potentially significant and endangered historic architectural sites and places
- Encourage owners who have an identified historic resource to have their properties designated on the National Register.
- Encourage owners to maintain character and integrity of historic and cultural resources located on their property.

### **Mill Villages**

- Identify the mill villages as areas of historic interest and encourage property owners within the mill villages to seek designation as a historic district to gain access to tax credits and home improvement grants.

- Preserve mill villages by restricting the establishment of new mobile homes and develop a plan to eliminate non-conforming uses in these areas over time through market-driven redevelopment and compliance with zoning regulations.
- Educate to the public the significance of each mill village within the City of Marion.

### **Historic Designation Signage**

- Establish public way-finding signage that is consistent with the character of historic downtown Marion and identifies the community as part of the Blue Ridge National Heritage Area.
- Create a historic plaque program for contributing buildings within a historic district that meet the City's Historic Preservation Commission's criteria for excellence in preserving and protecting a historic resource.
- Identify historic districts by establishing historic markers or other appropriate signage at strategic locations that lead into the district.

### **Preservation Incentives**

- Promote the HPC's historic plaque program for recognizing properties that have achieved excellence in preserving and protecting a historic resource.
- Identify funding sources and other financial incentives to assist with the rehabilitation projects that support historic preservation efforts.
- Encourage property owners to maintain character and integrity of historic property by establishing an annual award program.
- Identify funds to assist with historic building rehabilitation.
- Create and promote financial incentives for Historical Preservation

### **Education & History**

- Develop a historic preservation education program and package to assist property owners.
- Develop educational materials that highlight the relationship between historic preservation and economic development.
- Define the history of Marion by identifying land uses important as places within the community developed over time including native American history and prehistory, pioneer settlement, industrial mills and railroad.
- Define, document, present, educate historic preservation as economic development
- Utilize new media technology to promote and market local historic sites
- Define History of the community
- Promote local history in school system and McDowell Technical Community College such as Fox Fire program or the Traveling Trunk program.
- Work with neighborhood and community associations to identify and promote opportunities and values of historic and cultural preservation.

## **HOUSING & NEIGHBORHOODS ELEMENT**

### **Housing Downtown**

- Preserve, promote and establish incentives for upper-level residential uses in the Central Business District .
- City shall explore opportunities and incentives to encourage property owners to establish upper-level residential housing such as a synthetic tax increment financing (TIF) program
- Preserve current residential land use in the downtown area, including existing single-family homes in the commercial zoning district.
- Create a neighborhood enhancement team (NET) program where residents meet to discuss concerns and opportunities in their community.

### **Safe Housing Conditions**

- Establish a minimum housing code and rental property inspection program that will ensure safe and secure housing opportunities are available to all residents.
- Establish a rental property inspection program
- Be aggressive in enforcing cleanup of abandoned and blighted properties and consider a “split-rate” tax system.

### **Establish Housing Program**

- Educate the public on the many values that home ownership has on the community.
- Support affordable living through partnerships or possible development of a community housing and land trust.
- The City shall explore opportunities to provide incentives such as tax credits to assist first time home-buyers.
- Convert previously commercial properties to mixed use and residential use
- Promote affordable home ownership of site built homes and properties for Marion’s workforce.
- Restrict redevelopment of city owned properties to site built or modular home construction.
- Promote education program of historic building codes and tax credits
- Work with and support organizations that offer low interest loan funding and other assistance to qualified persons pursuing homeownership.
- Identify and acquire funding for rehabilitation of owner occupied homes.
- Establish public and private partnerships for construction and rehabilitation of affordable housing for Marion’s workforce.

### **Enhance Neighborhoods**

- Encourage residents to work with the City to create a plan for their neighborhood to reflect the goals and values of the residents who live there.
- Identify the mill villages as areas of historic interest and encourage property owners within the mill villages to seek designation as a historic district to gain access to tax credits and home improvement grants.
- Promote neighborhood planning through education and outreach.
- Be more aggressive in code enforcement and encourage the community to be less tolerant of blight and other non code-compliant properties.
- Work with residents to identify needs for and locations for neighborhood parks with safe pedestrian and bike connections.  
Establish a comprehensive system of bike lanes and sidewalks that interconnect all of  
▪ Marion's neighborhoods and encourage healthy living.

### **Limit Mobile Homes**

- Strengthen development standards on mobile homes with Marion.
- Preserve mill villages by restricting mobile homes.

## **PARKS, RECREATION & CULTURAL ARTS ELEMENT**

### **Natural Resources**

- Protect and enhance the natural and cultural resources that attract people to our city and region.
- Establish a land acquisition program to protect environmental resources and natural places with value to the local and regional economy.
- Review the potential for restoration of waterways within Marion.
- Encourage the protection of ridgeline and steep slope development of nearby and surrounding mountains.
- Partner with and support McDowell County Government to preserve “Special Places” (i.e. Lake James, Catawba River, mountain tops)
- Encourage entrepreneurial efforts for zoo/nature center
- Encourage entrepreneurial efforts of nature based businesses
- Create a guide for growth that protects natural resources such as the creation of a transfer-of development-rights (TDR) program.

### **Cultural Resources**

- Support MACA and other non-profit cultural organizations
- Establish more public art in public spaces
- Work with MACA and downtown business and property owners to establish an arts program for vacant store fronts.
- Encourage and promote cultural arts that are “Made in McDowell”
- Develop market/gallery of local products
- Identify and develop or encourage the development of a site in close proximity to downtown that offers opportunities to learn about Marion’s local heritage.
- Celebrate local historic events and cultural events
- Encourage music and other heritage cultural performing arts activities

### **Special Events & Festivals**

- Increase the number and variety of outdoor special events including weekly farmers market
- Build pavilion at gazebo for bands and special events
- Promote local heritage at Mountain Glory Festival
- Broaden publicity for special events and be better organized with promotions
- Expand Marion’s ability to hold more events by supporting the creation of a multi-functional



facility to host large special events such as conferences, trade shows, and training seminars.

### **Park Facility Enhancement**

- Replace chain link fence at Marion Community Building and Park with a more decorative fence in keeping with the design and period of the building.
- Seek opportunities to incorporate art in public spaces to enhance a patron's experience downtown
- Work with residents to identify needs for and locations for neighborhood parks with safe pedestrian and bike connections in an effort to encourage and promote opportunities for healthy living.
- Establish an outdoor performance amphitheater
- Pursue park development of Mount Ida
- Establish comprehensive trail system that is low impact and low maintenance that connects to other county, regional, state, and national trails.
- Study the need for including fitness stations along community greenway system and incorporate elements as recommended by the public.
- Purchase the McDowell House and include it as part of the greenway master plan.
- Study the community need for a dog park.

### **Parks & Recreation As Economic Development (NEW)**

- Market recreational opportunities located in McDowell County to enhance tourism and strengthen economic growth.
- Map local attractions along motorized and non-motorized routes to market recreational
- opportunities and other attractions to visitors.

## **PUBLIC FACILITIES ELEMENT**

- Provide excellent service to citizens.

### **Water System**

- Encourage cooperative water and sewer systems throughout the county
- Expand water and sewer on Sugar Hill Road to Interstate I-40 in coordination with the adoption of standards that will minimize strip development.
- Study needed improvements to Water Plant, which is currently 52 years old.
- Evaluate future adequacy of water supply and opportunities for off-stream impoundments for the development of emergency water intake on the Catawba River for use in drought conditions.
- Establish looped water lines on Highway 70 West to High School Road and Resistoflex Road.
- Extend water from Sugar Hill Road to Interstate I-40.
- Implement the new water quality standards as required by the state.
- Continue program to replace aging water lines.

### **Sewer System**

- Encourage county-wide water and sewer
- Expand water and sewer on Sugar Hill road to I40
- Implement the elimination and minimization of inflow and infiltration of wastewater system – Eliminate Catawba River WWTP, upgrade Corpening Creek WWTP to make the plant a true 3 million gallon a day facility capable of meeting current and future state and federal regulations.
- Extend sewer service from Sugar Hill Road to Interstate I-40.
- Implement other sewer extension projects as outlined by McGill and Associates Collection System Master Plan.
- Develop program for the replacement of aging and undersized sewer lines.
- Eliminate to greatest extent possible cross contamination of stormwater and waste water systems.
- Reduce the number of discharge points

### **Solid Waste Service**

- Clean and beautify railroad banks

- Encourage more recycling to minimize solid waste going to landfill.
- Explore opportunities for greater efficiencies in solid waste service (ie. Garbage collection, street trash, yard waste, and recycling)
- Maintain adequate safe equipment and explore new technologies in solid waste collection.

### **Stormwater System**

- Evaluate the need for specific stormwater improvements and implement low impact standards where possible.

Once mandatory state compliance is in effect consider developing a program that applies graduated fees to impervious surface areas or development activity that creates increases in

- stormwater levels.

### **Technology Infrastructure**

- Expand and enhance telecommunications infrastructure
- Bring wireless internet services downtown
- Strongly encourage and support affordable broadband high speed internet county wide

### **Public Safety**

- Evaluate the need and location for essential service substations and establish such facilities as the city continues to grow.

## **TRANSPORTATION ELEMENT**

### **Public Transportation Systems**

- Establish a public transportation shuttle service focused on main transportation corridors.
- Encourage the development of passenger rail service to Marion and the Western North Carolina region.

### **Public Roads**

- Accomplish the transportation improvements as established in the 2002 NCDOT City of Marion Thoroughfare Master Plan.
  - Complete widening of US 221 from 221 Bypass to I-40 including landscaped interchanges and bicycle lanes.
  - Establish functional traffic flow: US 70 East Bypass and downtown
  - Make bypass for Highway 70 East a priority.
  - Implement the Downtown Streetscape Master Plan improvements.
  - Improve appearance of the entrance corridors into the City of Marion such as Sugarhill Road and US 70 East (East Court Street).
  - Complete US 221 road widening from 221 Bypass including landscaped interchanges and bicycle lanes.
  - Evaluate adequacy of street lights for motorists and pedestrians
  - Evaluate and coordinate all traffic signals to ensure functional traffic flows.
- De-designate 221 Business as a US Highway and reroute all traffic to 221 By-Pass in an effort to implement streetscape improvements on Main Street and ensure the safety of
- pedestrians downtown.

### **Bike & Pedestrian Systems**

- Connect downtown sidewalks to urban trails
- Seek to reclaim old alleys in order to reopen such areas for public space and pedestrian accessibility.
- Expand and enhance sidewalks within Marion.
- Enhance multi-modal transportation opportunities in and around Marion through the development of a comprehensive bicycle and pedestrian trail system.
- Establish comprehensive trail system that is low impact and low maintenance that connects to other county, regional, state, and national trails.
- Sidewalk extension from Viewcrest north to the Bi-Lo Shopping Center.

- Develop a bicycle and pedestrian master plan that creates a comprehensive system of corridors promoting alternative means of travel and healthy living.

Ensure safe street crossings with adequate crosswalks with timed crossing signs especially at

- unusually wider intersections in downtown and other identified locations within the City.

Ensure all streets have sidewalks with ramps at curbs and all heavily trafficked streets have

- bike-lanes and painted crosswalks.

### **Signage On Public Right-Of-Way**

- Establish public way-finding signage to area attractions and public buildings that are consistent with the character of historic downtown
- Establish a permanent event kiosk that highlights activities in Marion.
- Identify downtown historic district with better signage including I-40
- Establish and enhance good directional signage on City and NCDOT maintained roads.
- Developed standards for temporary, event, and promotional signage within public right of ways
- Improve public parking signage to improve accessibility
- Reduce the number of redundant and inappropriately placed signage along public right-of-ways.

### **Landscaping In Public Right-of-Way**

- Clean and beautify railroad right-of-ways.
- Improve landscaping and landscaping practices along public right of ways
- Enhance public space to attract more retail and restaurants downtown

### **Street Lights on Public Right-of-Way**

- Extend decorative lamp posts on S. Main Street and out-lying areas

## **CIVIC CAPITAL ELEMENT**

### **Sense of Community**

- The City of Marion shall strive to foster an environment that strengthens the human capital.
- Identify the current conditions of human capital to set benchmarks for improvement and evaluation.
- The City of Marion shall establish a partnership with education institutions to promote education and life-long learning to help strengthen human capital and promote entrepreneurship.
- The City shall establish a Partnership Advisory Committee inviting McDowell County and other agencies and organizations to participate that is based on a consensus of mission, goals, and beliefs that is valued in the community, which serves as a guide to promote social capital.
- Introduce groups with common interests or complementary skills to one another to help strengthen community interests.
- The City shall promote programs that demonstrate that their initiatives are aligned with the Partnership Advisory Committee.
- Have more events that are fun and celebrate our community.

### **Build Community Foundation**

- Utilize Historic Marion Community Foundation to help preserve, protect, and enhance uses important to Marion.
- Identify [study] how land uses can provide space for the promotion of civic capital.
- Put existing resources together to make a larger impact on quality of life in the community.
- Partner with other communities within the Blue Ridge national Heritage Area to develop regional strategies to protect, preserve and promote what makes the region unique.

### **Strengthen Volunteerism**

- The City shall promote, increase and maintain a number of volunteer opportunities within the community.
- Promote the McDowell County Volunteer Center.
- Market volunteer opportunities through multi-media communication sources.

### **Support Youth Involvement**

- Support and expand MEDA's Industry Student Leadership Program
- Explore similar student leadership programs for other career opportunities

- The City of Marion shall build connections with youth to encourage positive social development
- Establish a youth council as a recognized advisory board to the City of Marion.
- Support civic organizations to sponsor junior and youth programs.
- Encourage and advocate community groups to involve youth and view youth as a resource.
- Adopt and advocate policies and regulations that have a positive impact on youth and families.

Encourage participation in the McDowell County Heritage Council, an affiliate of the Blue

- Ridge National heritage Area.

### **Promote Neighborhood Enhancement**

- Build and enhance partnerships with residents and neighborhoods.
- Develop public and private partnerships and consider the creation of a community development commission or housing trust to assist with the construction and rehabilitation of housing.
- The City of Marion shall establish a Neighborhood Enhancement Program that provides opportunities for civic participation as well as access to information and communication.

### **Civic Capital To Enhance Parks, Recreations and Cultural Arts**

- Support efforts for county and regional trail development
- Partner with local non-profit and private efforts that support natural, cultural, historical resources.
- Support MACA and other non-profit cultural organizations
- Support existing non-profit recreational organizations in their efforts to provide activities, programs, and tournaments
- Work with school system to utilize school playgrounds
- Support efforts for 0-5 age “Family Connection” facility (see #8 goal)
- Partner and support McDowell County government to preserve “Special Places” (i.e. Lake James, Catawba River, mountain tops)
- Stronger partnership with Tourism Development Authority to promote location, Lake James, heritage, and natural resources

### **Civic Capital To Promote Historic Preservation**

- Support efforts of historical preservation of local buildings
- Partner with the BRNHA and utilize their services.

- Support county efforts to preserve, protect, and promote historic sites
  - Promote partnership with local and regional historical preservation groups and hold regular meetings
  - Partner and support McDowell County government to preserve “Special Places” (i.e. Lake James, Catawba River, mountain tops)
  - Stronger partnership with Tourism Development Authority to promote location, Lake James, heritage, and natural resources
- Partner with the NC Department of Commerce, Division of Tourism, Film and Sports Development to enhance the economic benefit of tourism, and especially heritage tourism to
- the city.

### **Civic Capital to Strengthen Economic Prosperity**

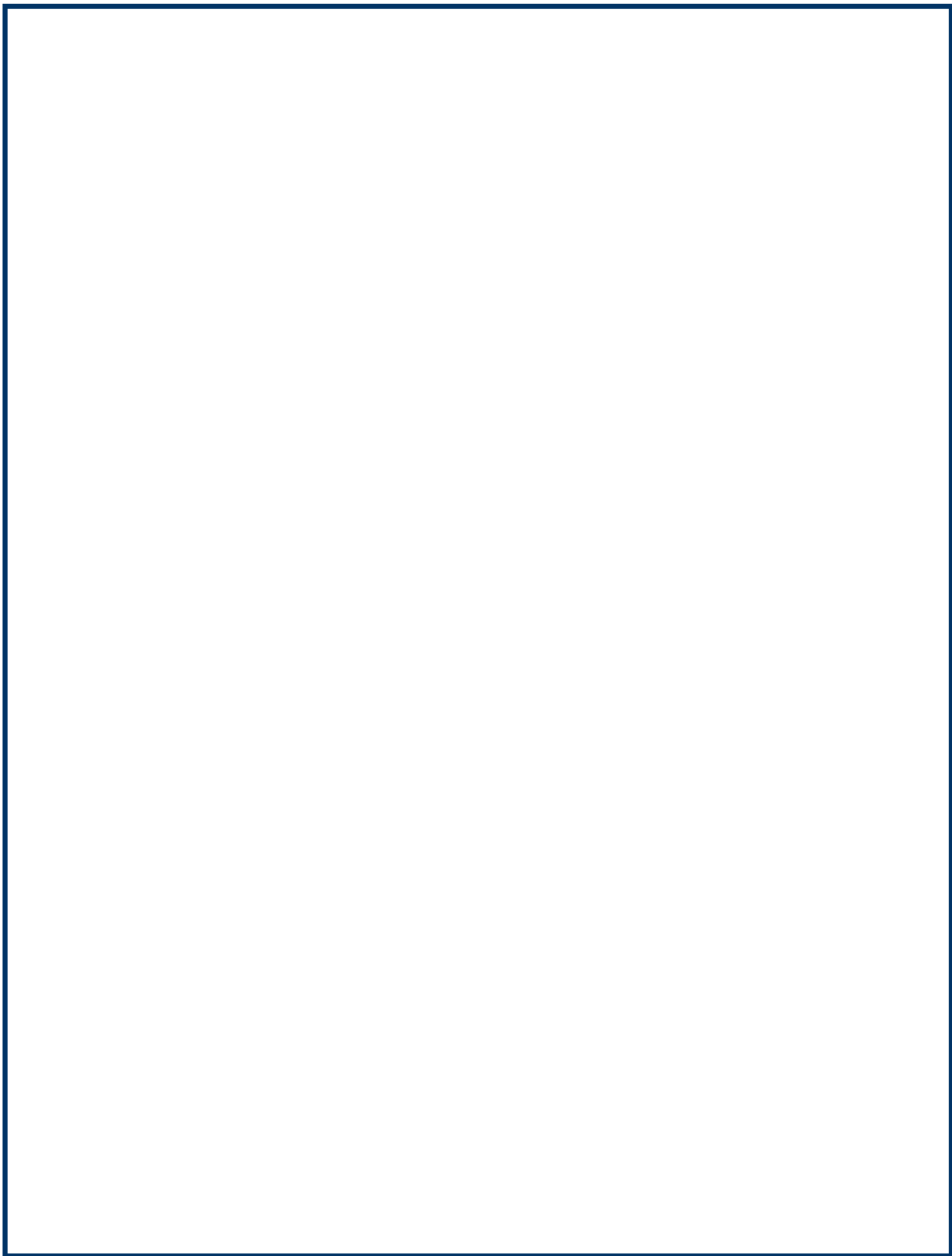
- Become an Entrepreneurial Community through Advantage West
- Participation and align with regional economic efforts
- Strongly encourage and support affordable broadband high speed internet county wide
- Promote TDA, DBA, and Chamber of Commerce partnerships
- Stronger partnership with Tourism Development Authority to promote location, Lake James, heritage, and natural resources
- Establish a community innovator advisory committee that explores emerging trends occurring globally that can be applied locally.



# **APPENDIX D**

## **RETAIL MARKET ASSESSMENT AND MARKET PLAN**

**PREPARED BY: ARNETT MULDROW & ASSOCIATES**



# ***Retail Market Assessment and Marketing Plan for Marion, North Carolina***

September 12, 2008

Prepared for:

Marion Small Town Economic Prosperity Program  
Funded by the North Carolina Rural Center

Prepared by:

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## ***1.0 Introduction***

### **1.1 Introduction and Background**

Located in western North Carolina, Marion is an historic community and the county seat of McDowell County. The community has been participating in North Carolina's Small Town Economic Prosperity (STEP) program through the North Carolina Rural Center. The STEP program has been a partnership among various groups in Marion alongside state representatives from a variety of agencies.

This study is part of the STEP process and is designed to inform the community as it continues to pursue implementation of the STEP process. Arnett Muldrow & Associates, Ltd. was hired to conduct a Retail Market Study and Marketing Plan for Marion in early 2008. The process for the community began with a series of interviews with stakeholders in Marion alongside a Zip Code survey of customers held in February.

From that information, Arnett Muldrow conducted a detailed market definition study, and a sales and retail leakage analysis for the community. This information was then used to craft a series of recommendations to help market Marion as a retail destination, retain customers in the market, and where possible recruit new business or expand existing business.

### **1.2 Report Format**

This report is designed to present the findings of the Retail Market Study and Marketing Plan in a brief and easy to understand format. The report begins with the market assessment of Marion in order to provide the economic framework that underpins the recommendations.

The report concludes with an implementation strategy and action plan designed to outline the steps needed to begin implementation. The implementation chapter also includes recommendations for a Marion "Brand" that can be used to further the recommendations of this study.

### **1.3 Acknowledgments**

This report would not have been possible without the participation of many individuals and businesses in Marion. Special thanks goes to the eighteen businesses that participated in the zip code survey; the many stakeholders who took time out to share their thoughts with us, to the Marion Downtown Business Association, the City of Marion, the McDowell County Chamber of Commerce and the other partners of the STEP program in Marion. Special thanks goes to Freddie Killough who set up all of our meetings and coordinated the process from start to finish.

## **2.0 Retail Market Study**

This section of the report presents the findings of the retail market research for Marion and sets the stage for further analysis that can be used to recruit business, help existing businesses target customers, and implement the accompanying marketing strategy in the next chapter. The goal is to keep Marion a competitive center of trade for the community amidst dramatic change in the retail climate in America today.

Chapter 2 is divided into two sections:

Section 2.1 is Marion's market definition based on zip code survey work completed by businesses in the community. It also provides insight into the Marion's trade area demographics and presents market segmentation data related to Marion's primary and secondary trade areas. This information provides general consumer profiles based on income, spending habits, location, and demographics.

Section 2.2 presents the retail market analysis that shows the amount of retail sales "leaking" from the primary and secondary trade areas. This information is based on the most recent data available and is a reliable source for understanding overall market patterns. This section concludes with some key opportunities for retail that could be used to both enhance existing businesses and recruit additional businesses to the community.

### **2.1 Market Definition**

Unlike other techniques that tend to use arbitrarily picked boundaries for customer trade zones (radii studies and the like), the method used for market definition in Marion is based on zip code survey work completed by cooperative merchants. Geographic zip codes are used because they are easy to track at the customer level and frequently follow reasonable boundaries within which a whole host of demographic data can be gleaned.

Eighteen Marion retail businesses graciously participated in the zip code survey of their customers conducted in February of 2008. These businesses, primarily located in downtown, show a cross section of independent businesses in the community. Merchants were provided with a form to record customer zip codes and asked to keep the log for all customers during a seven-day period. For residents of Marion zip codes, customers were asked to indicate whether they lived in the City of Marion or in unincorporated McDowell County. In all 1,379 individual customer visits were recorded during the one-week period.

#### **2.1.1 Zip Code Results**

The results of the zip code survey are listed below:

- Marion businesses recorded customers from 59 unique different zip codes representing twelve states.
- 25.5% lived inside the City Limits of Marion and an additional 43.2% of the customers were from the Marion Zip Code but outside of the City Limits of Marion. This makes the total Marion visits 68.7% or a little over two in every three customers.

- Nebo and Old Fort both in McDowell County accounted for another 10.7% and 9.7% of the visits respectively.
- Morganton had 3% of the customer visits while Union Mills and Spruce Pine has around 1% each.
- The rest of North Carolina and all other states accounted for only 5.7% of the customer visits in Marion.

The figures below provide two different insights into the breakouts of customer visits.

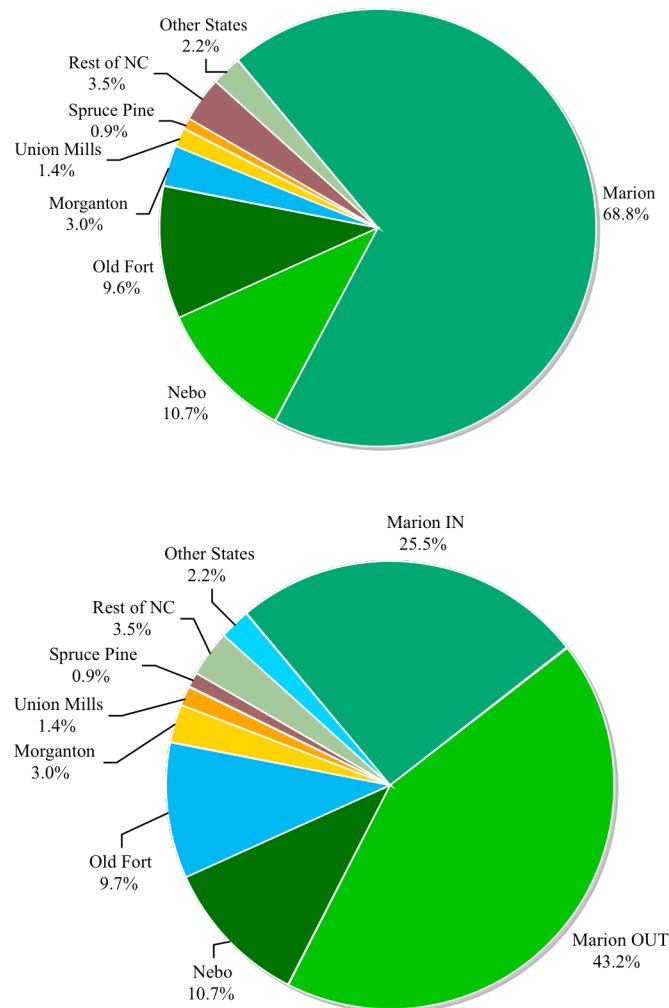


Figure 1: Two graphs depicting percentage origin of customer traffic for participating merchants.

2.1.2 Information by Business

The preceding information examined how the stores did in aggregate when all results are combined into one “pot” of figures. This section looks at the results by retail store to determine if there are any anomalous figures that emerge with particular stores. To protect the confidentiality of the individual store results, the names of the stores are not included in the charts. The red bars indicate the overall percentage visits for all participating businesses.

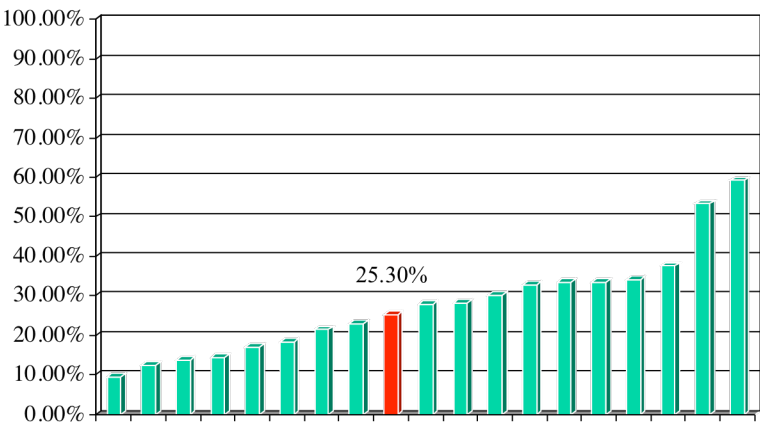


Figure 2: Percentage visits from the City of Marion by business.

Figure two above illustrates that overall the percent of visitors from the town of Marion itself is 25.30%. Ten of the eighteen businesses that participated in the survey had more than 25% of their customers from the City of Marion while eight had less than 25%. Figure 3 below shows the results looking at the Marion zip code both within the city limits and outside the city limits. In this case, overall 68.9% of the customer visits come from the Marion zip code. No participating businesses had less than one half of their customers from the Marion zip code. While individual results vary some, the local market is an imperative component of the community’s livelihood.

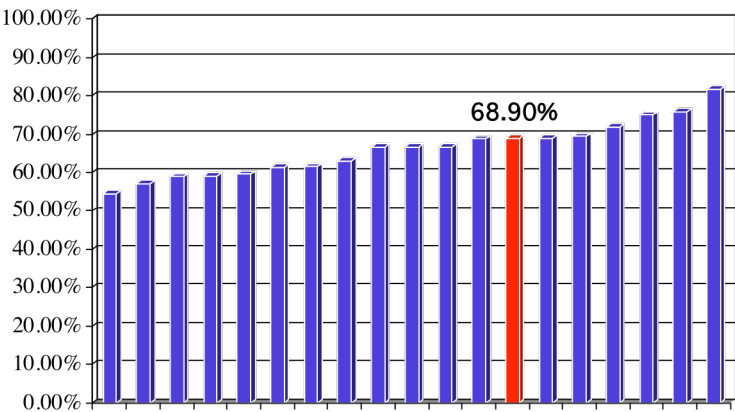


Figure 3: Percentage visits from the Marion zip code.



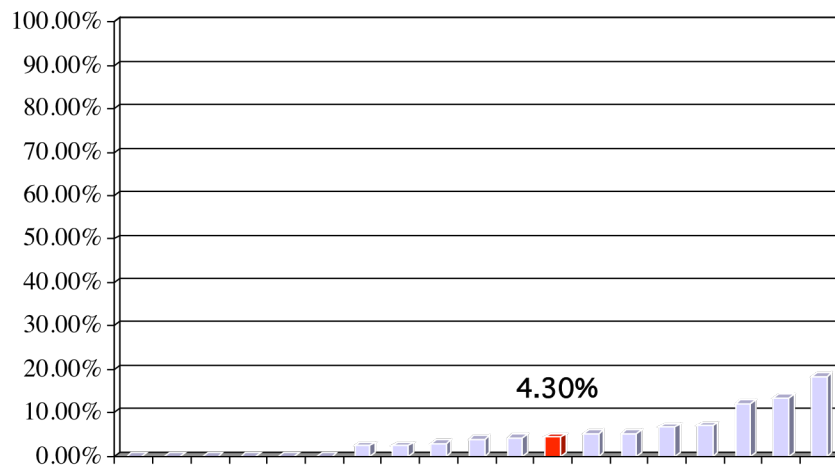


Figure 5: Percentage "visitor" traffic by business.

Defining “visitor” traffic can be difficult because someone from Morganton might be called a visitor while someone from Black Mountain might be an employee that works downtown. For the purposes of this study, people from other states were combined with people from clearly outside of the local area to constitute the “visitor” statistics. Overall visitors comprised 4.3% of the customer traffic in downtown. Three businesses had over 10% of their customers from “visitors” while six others had no visitor traffic. This is fairly typical for a community with Marion’s downtown business mix but visitor traffic could be an opportunity for business growth in downtown.

### 2.1.3 Trade Area Definitions

The number of visits provides an overall viewpoint of where customers come from. A more accurate way to evaluate customer loyalty in the market is by looking at the local market itself. Since zip codes each have different populations, customer visits are most accurately tracked on the number of visits in relation to the population. This corrects for zip codes that have exceedingly large or small populations that might skew the market penetration data. By this measure, the Primary and Secondary trade areas for the community can be established. The Primary trade area is the geography where the most loyal and frequent customers to Marion reside. The Secondary trade area represents an area where Marion businesses can rely on customers but to a lesser degree. The table below shows customer visits per 1,000 people for each of the highest representative visits.

Zip	Area	Population	Visits	Visits/1000 Pop
28752	Marion	29,894	<b>950</b>	31.78
28762	Old Fort	6,543	<b>133</b>	20.33
28761	Nebo	7,919	<b>147</b>	18.56
28167	Union Mills	2,933	<b>19</b>	6.48
28777	Spruce Pine	9,794	<b>12</b>	1.23
28655	Morganton	57,487	<b>41</b>	0.71
28752 In	Marion	7,079	<b>349</b>	49.30
28752 Out	Marion	22,815	<b>592</b>	25.95

Figure 6: Customer visits per thousand for top zip codes.

Determining the primary and secondary trade areas can sometimes be more “art” than science. At times, significant breaks in customer visits are not obvious. However, in Marion’s case the divisions are quite clear. With 31.78 visits per thousand residents, the 28752 zip code (Marion) is clearly the primary trade area for the community. The next most loyal markets are 28762 Old Fort and 28761 Nebo with 20.33 and 18.56 visits per thousand respectively. The customer loyalty then jumps significantly to slightly over 6 visits per thousand for Union Mills. While Morganton had 41 overall visits to Marion, it’s large population resulted in customer loyalty of less than one visit per thousand residents. Morganton should not be discounted as a potential market for downtown but it is clear that the two communities function in different “spheres” of influence for retail.

It is also important to note that the City of Marion had many more visits per thousand and stronger customer loyalty than those customers with a Marion zip code that live outside of the city limits. Marion City residents had 49.3 visits per thousand residents during the survey period. Those outside the city limits but inside the Marion zip code only had only 25.95. This indicates that City of Marion residents are more loyal to the downtown businesses than those outside the city limits even though they are still included in the primary trade area.

The next two figures illustrate each of the trade areas for Marion in map form. It is clear that Marion is attracting from the core area of the community and that the secondary trade area flank Marion to the east and to the west. The mountainous terrain and rather large zip codes themselves prevent much encroachment from the north while Rutherford County tends to center on the three communities that comprise its primary retail core. Of course, the Interstate 40 corridor is a large influence on the trading patterns as well.

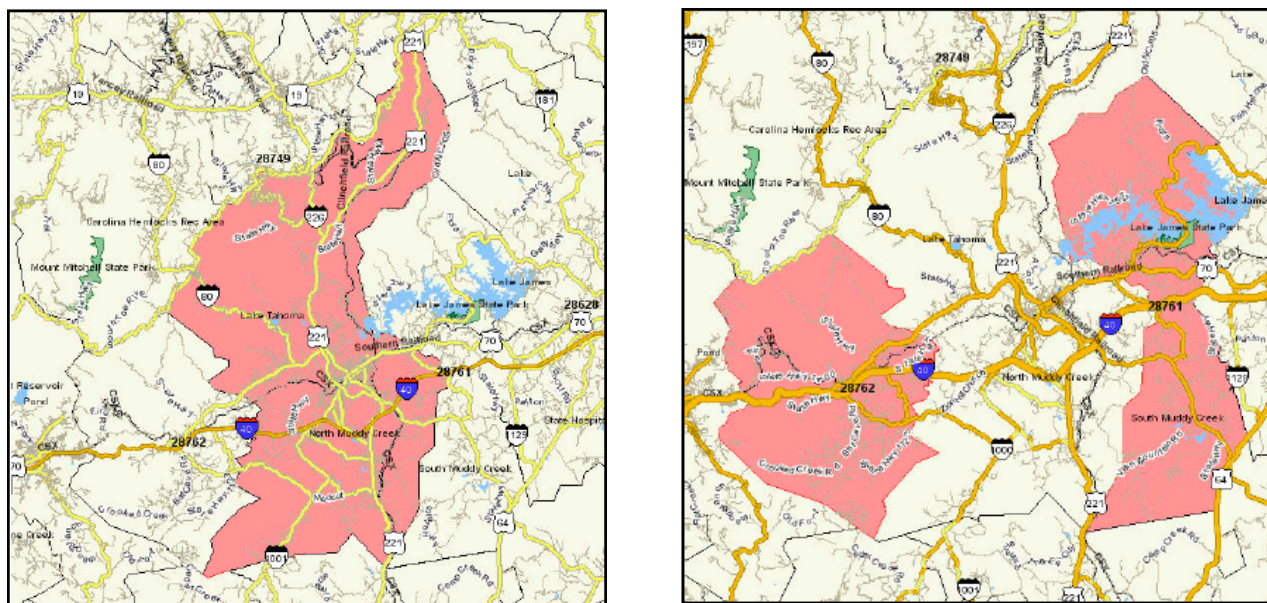


Figure 7: Map of the Primary and Secondary Trade Areas for Marion

### 2.1.4 Market Segmentation

The income, demographic and consumer expenditure patterns can provide insight into what is known as “market segmentation” information. For Marion, we used the Prizm Market Segmentation studies

prepared by Claritas Inc. This information provides additional insight into the changes that are taking place in the market for the community.

The chart below shows the market segmentation for the Primary Trade Area for Marion. The segments are divided by age demographics and further by wealth. The green colors represent younger years, the red are family life and the blue are mature years. Lighter colors represent less affluence, which graduate to darker colors as affluence increases. The colors allow for a quick comparison of the demographic breakout for the primary trade area.

It is clear from the chart above that the primary trade and secondary trade areas for Marion have a smaller proportion of midlife family characteristics compared with the “striving singles” and “sustaining seniors” category. The secondary trade area is “older” than the primary trade area. Overall the trade areas for Marion is less affluent than the United States which is shown in the third chart below.

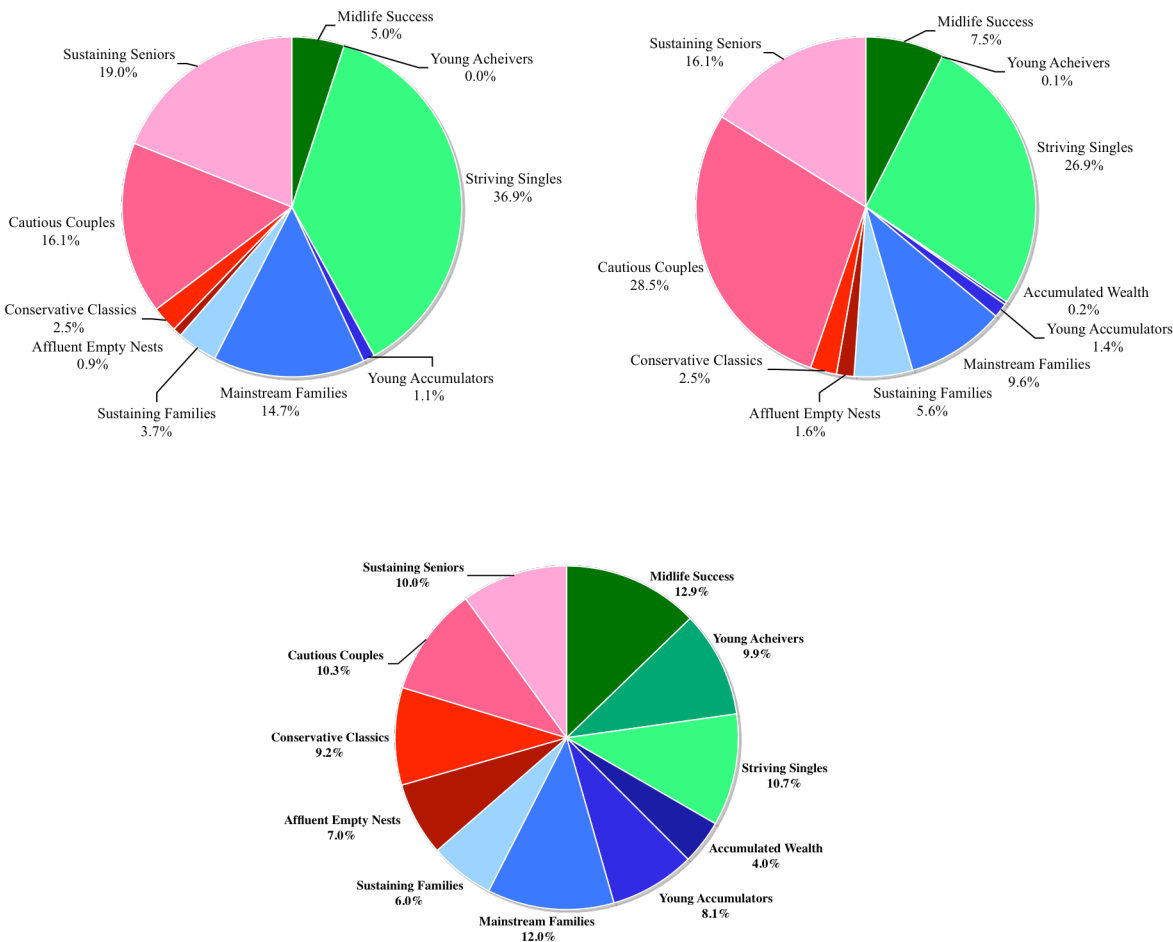


Figure 8: Pie charts depicting the market segmentation for the Primary and Secondary Trade areas for Marion as well as the United States as a whole.

### ***2.1.5 Market Definition and Demographic Conclusions***

- Marion's downtown shops cater to a very strong local population base. In fact, Marion's downtown is more dependent on local traffic than many we have seen.
- This local base is reinforced to some degree by a significant drop in customer loyalty as customers move away from the city limits. Customers with a Marion zip code who live outside the city limits in unincorporated McDowell County are much less loyal to downtown shops than those who reside inside the city limits. It is important to recognize, though, that the Marion zip code is rather large however there is an opportunity to potentially mend the "loyalty gap" with countywide residents.
- The participating shops had a relatively small amount of visitor traffic. Marion is not yet a strong tourism destination. Tourism, particularly in this region, could be a potential untapped market for Marion.
- Demographic growth and income levels are OK for Marion but not overly impressive. The projected growth from the many developments slated for the area has yet to reach the market area for Marion. That doesn't mean that the community should not plan for the future but it does point to a strategy that shouldn't revolve around massive growth in the short term.

## **2.2 Retail Market Analysis**

Marion is a retail center serving the primary and secondary markets defined above. In this section the Marion retail market will be examined to identify potential opportunities for retail by examining retail leakage. A retail leakage analysis that will look at the primary and secondary trade areas to see how much money is "leaking" from the area to stores in other areas. This will allow the community to assess what kind of additional stores might be attracted to Marion and will help individual existing businesses understand how they might diversify product lines.

### ***2.2.1 Retail Leakage in the Trade Areas***

"Retail Leakage" refers to the difference between the retail expenditures by residents living in a particular area and the retail sales produced by the stores located in the same area. If desired products are not available within that area, consumers will travel to other places or use different methods to obtain those products. Consequently, the dollars spent outside of the area are said to be "leaking". If a community is a major retail center with a variety of stores it will be "attracting" rather than "leaking" retail sales. Even large communities may see leakage in certain retail categories while some small communities may be attractors in categories.

Such an analysis is not an exact science. In some cases large outflow may indicate that money is being spent elsewhere (drug store purchases at a Wal-Mart or apparel purchases through mail-order). It is important to note that this analysis accounts best for retail categories where households (rather than businesses) are essentially the only consumer groups. For example, lumberyards may have business sales that are not accounted for in consumer expenditures. Stores such as jewelry shops and clothing stores are more accurately analyzed using this technique.

- Stores in the primary trade area for Marion (the Marion zip code as defined above) sold \$241.8 million in merchandise in 2007. This figure excludes automobile dealerships and gasoline related sales.
- Consumers in the same geography (again the Marion zip code) spent \$272.3 million dollars in stores of similar type.
- This means that overall the primary trade area for Marion is leaking sales to the tune of \$30.5 million annually. (Again, this excludes automobile related retail sales and gasoline)
- Stores in the two zip codes that comprise the secondary trade area for downtown (Old Fort and Nebo zip codes) sold \$47.2 million in merchandise.
- STA Consumers spend \$142.1 million
- Secondary Trade Area is leaking sales in the amount of \$94.8 million each year.

Source for figures above: Claritas Inc.

Combined together the trade area for Downtown Marion is leaking sales in the amount of \$125.3 million annually. This means that nearby communities such as Asheville and Morganton area are likely to be absorbing some of this loss. Even though both of the trade areas are leaking sales overall, the details of this leakage are further understood by looking at individual retail categories. Each of these categories is presented in the tables below.

The first table below shows the retail leakage for Marion's primary trade area in each of the retail categories studied for this report. Please note that some categories are subsets of larger categories. The chart above shows that while the primary trade area is leaking in overall sales there are categories such as groceries, pharmacies, and quick service restaurants; it is leaking in many other key categories that are more ideally suited to a downtown setting (and some suited for a suburban setting) such as full service restaurants, book stores, specialty food stores, certain apparel categories, and the like.

	<b>Demand (Consumer Expenditures)</b>	<b>Supply (Retail Sales)</b>	<b>Opportunity Gap/Surplus</b>
Total Retail Sales Incl Eating and Drinking Places	272,326,725	241,801,998	30,524,727
Furniture and Home Furnishings Stores-442	10,434,996	4,593,024	5,841,972
Furniture Stores-4421	5,676,420	2,558,997	3,117,423
Home Furnishing Stores-4422	4,758,576	2,034,027	2,724,549
Electronics and Appliance Stores-443	9,126,197	1,210,998	7,915,199
Appliances, TVs, Electronics Stores-44311	7,107,391	747,000	6,360,391
Household Appliances Stores-443111	1,702,000	0	1,702,000
Radio, Television, Electronics Stores-443112	5,405,391	747,000	4,658,391
Computer and Software Stores-44312	1,685,486	463,998	1,221,488
Camera and Photographic Equipment Stores-	333,320	0	333,320
Building Material, Garden Equip Stores -444	48,717,364	26,431,780	22,285,584
Building Material and Supply Dealers-4441	44,515,367	23,613,713	20,901,654
Home Centers-44411	16,583,353	0	16,583,353
Paint and Wallpaper Stores-44412	1,072,725	0	1,072,725
Hardware Stores-44413	3,321,072	0	3,321,072



	<b>Demand (Consumer Expenditures)</b>	<b>Supply (Retail Sales)</b>	<b>Opportunity Gap/Surplus</b>
Other Building Materials Dealers-44419	23,538,217	23,613,713	(75,496)
Building Materials, Lumberyards-444191	7,790,421	8,052,535	(262,114)
Lawn, Garden Equipment, Supplies Stores-4442	4,201,997	2,818,067	1,383,930
Outdoor Power Equipment Stores-44421	692,322	332,998	359,324
Nursery and Garden Centers-44422	3,509,675	2,485,069	1,024,606
Food and Beverage Stores-445	54,463,703	85,212,070	(30,748,367)
Grocery Stores-4451	49,394,366	83,135,142	(33,740,776)
Supermarkets, Grocery (Ex Conv) Stores- Convenience Stores-44512	46,826,686	80,572,389	(33,745,703)
	2,567,680	2,562,753	4,927
Specialty Food Stores-4452	1,619,933	2,076,928	(456,995)
Beer, Wine and Liquor Stores-4453	3,449,404	0	3,449,404
Health and Personal Care Stores-446	25,713,111	35,432,667	(9,719,556)
Pharmacies and Drug Stores-44611	22,420,804	34,727,947	(12,307,143)
Cosmetics, Beauty Supplies, Perfume Stores- Optical Goods Stores-44613	950,953	70,002	880,951
	646,263	0	646,263
Other Health and Personal Care Stores-44619	1,695,091	634,718	1,060,373
Clothing and Clothing Accessories Stores-448	16,246,901	6,695,915	9,550,986
Clothing Stores-4481	11,785,542	1,835,332	9,950,210
Men's Clothing Stores-44811	781,934	0	781,934
Women's Clothing Stores-44812	2,798,440	1,433,997	1,364,443
Childrens, Infants Clothing Stores-44813	788,260	147,936	640,324
Family Clothing Stores-44814	6,402,210	0	6,402,210
Clothing Accessories Stores-44815	246,698	129,401	117,297
Other Clothing Stores-44819	768,000	123,998	644,002
Shoe Stores-4482	2,488,340	1,929,001	559,339
Jewelry, Luggage, Leather Goods Stores-4483	1,973,019	2,931,582	(958,563)
Jewelry Stores-44831	1,801,245	2,931,582	(1,130,337)
Luggage and Leather Goods Stores-44832	171,774	0	171,774
Sporting Goods, Hobby, Book, Music Stores-451	6,729,333	1,704,728	5,024,605
Sporting Goods, Hobby, Musical Inst Stores- Sporting Goods Stores-45111	5,004,941	627,329	4,377,612
	2,533,551	503,313	2,030,238
Hobby, Toys and Games Stores-45112	1,639,935	0	1,639,935
Sew/Needlework/Piece Goods Stores-45113	395,352	73,998	321,354
Musical Instrument and Supplies Stores- Book, Periodical and Music Stores-4512	436,103	50,018	386,085
	1,724,392	1,077,399	646,993
Book Stores and News Dealers-45121	1,125,076	612,998	512,078
Book Stores-451211	1,038,583	612,998	425,585
News Dealers and Newsstands-451212	86,493	0	86,493
Prerecorded Tapes, CDs, Record Stores-	599,316	464,401	134,915
General Merchandise Stores-452	50,289,733	46,017,314	4,272,419
Department Stores Excl Leased Depts-4521	22,352,024	16,112,079	6,239,945
Other General Merchandise Stores-4529	27,937,709	29,905,235	(1,967,526)
Warehouse Clubs and Super Stores-45291	24,219,518	19,477,235	4,742,283
All Other General Merchandise Stores-45299	3,718,191	10,428,000	(6,709,809)
Miscellaneous Store Retailers-453	11,623,592	5,168,736	6,454,856
Florists-4531	785,767	255,938	529,829

	<b>Demand (Consumer Expenditures)</b>	<b>Supply (Retail Sales)</b>	<b>Opportunity Gap/Surplus</b>
Office Supplies, Stationery, Gift Stores-4532	4,396,383	2,924,596	1,471,787
Office Supplies and Stationery Stores-45321	2,510,170	2,459,000	51,170
Gift, Novelty and Souvenir Stores-45322	1,886,213	465,596	1,420,617
Used Merchandise Stores-4533	856,908	277,686	579,222
Other Miscellaneous Store Retailers-4539	5,584,534	1,710,516	3,874,018
Foodservice and Drinking Places-722	38,981,795	29,334,766	9,647,029
Full-Service Restaurants-7221	17,692,566	6,451,707	11,240,859
Limited-Service Eating Places-7222	16,409,041	20,028,061	(3,619,020)
Special Foodservices-7223	3,169,737	2,854,998	314,739
Drinking Places -Alcoholic Beverages-7224	1,710,451	0	1,710,451

A similar analysis looking at the secondary trade area reveals similar patterns but there are virtually no categories except for building material where the secondary trade area is gaining in sales. Logically, Marion could be absorbing some but not all of this retail leakage and since the primary trade area itself is leaking, there is a clear indicator that there is some pent-up demand for additional retail in Marion. The key for Marion is to begin to capture these zip codes as well as an even broader geographic area to augment existing retailers and support new retail opportunities.

	<b>Demand (Consumer Expenditures)</b>	<b>Supply (Retail Sales)</b>	<b>Opportunity Gap/Surplus</b>
Total Retail Sales Incl Eating and Drinking Places	142,064,724	47,218,548	94,846,176
Furniture and Home Furnishings Stores-442	5,536,555	159,984	5,376,571
Furniture Stores-4421	2,989,125	0	2,989,125
Home Furnishing Stores-4422	2,547,430	159,984	2,387,446
Electronics and Appliance Stores-443	4,782,192	0	4,782,192
Appliances, TVs, Electronics Stores-44311	3,715,352	0	3,715,352
Household Appliances Stores-443111	892,121	0	892,121
Radio, Television, Electronics Stores-443112	2,823,231	0	2,823,231
Computer and Software Stores-44312	889,021	0	889,021
Camera and Photographic Equipment Stores-	177,819	0	177,819
Building Material, Garden Equip Stores -444	26,413,801	20,642,195	5,771,606
Building Material and Supply Dealers-4441	24,118,205	18,336,517	5,781,688
Home Centers-44411	8,986,019	626,230	8,359,789
Paint and Wallpaper Stores-44412	584,317	0	584,317
Hardware Stores-44413	1,789,734	0	1,789,734
Other Building Materials Dealers-44419	12,758,135	17,710,287	(4,952,152)
Building Materials, Lumberyards-444191	4,233,153	6,039,403	(1,806,250)
Lawn, Garden Equipment, Supplies Stores-4442	2,295,596	2,305,678	(10,082)
Outdoor Power Equipment Stores-44421	379,941	0	379,941
Nursery and Garden Centers-44422	1,915,655	2,305,678	(390,023)
Food and Beverage Stores-445	27,877,086	8,527,287	19,349,799
Grocery Stores-4451	25,288,997	8,138,154	17,150,843
Supermarkets, Grocery (Ex Conv) Stores-44511	23,969,648	6,909,188	17,060,460
Convenience Stores-44512	1,319,349	1,228,966	90,383
Specialty Food Stores-4452	828,558	389,133	439,425

	<b>Demand (Consumer Expenditures)</b>	<b>Supply (Retail Sales)</b>	<b>Opportunity Gap/Surplus</b>
Beer, Wine and Liquor Stores-4453	1,759,531	0	1,759,531
Health and Personal Care Stores-446	12,918,391	5,107,048	7,811,343
Pharmacies and Drug Stores-44611	11,255,289	5,107,048	6,148,241
Cosmetics, Beauty Supplies, Perfume Stores-44613	475,103	0	475,103
Optical Goods Stores-44613	340,830	0	340,830
Other Health and Personal Care Stores-44619	847,169	0	847,169
Clothing and Clothing Accessories Stores-448	8,630,720	52,484	8,578,236
Clothing Stores-4481	6,260,296	52,484	6,207,812
Men's Clothing Stores-44811	414,201	0	414,201
Women's Clothing Stores-44812	1,507,072	0	1,507,072
Children's, Infants Clothing Stores-44813	402,116	31,257	370,859
Family Clothing Stores-44814	3,393,733	0	3,393,733
Clothing Accessories Stores-44815	132,284	21,227	111,057
Other Clothing Stores-44819	410,890	0	410,890
Shoe Stores-4482	1,311,989	0	1,311,989
Jewelry, Luggage, Leather Goods Stores-4483	1,058,435	0	1,058,435
Jewelry Stores-44831	966,156	0	966,156
Luggage and Leather Goods Stores-44832	92,279	0	92,279
Sporting Goods, Hobby, Book, Music Stores-451	3,548,524	738,152	2,810,372
Sporting Goods, Hobby, Musical Inst Stores-4511	2,646,175	626,038	2,020,137
Sporting Goods Stores-45111	1,339,766	187,957	1,151,809
Hobby, Toys and Games Stores-45112	866,621	427,002	439,619
Sew/Needlework/Piece Goods Stores-45113	210,778	0	210,778
Musical Instrument and Supplies Stores-45114	229,010	11,079	217,931
Book, Periodical and Music Stores-4512	902,349	112,114	790,235
Book Stores and News Dealers-45121	585,426	0	585,426
Book Stores-451211	541,917	0	541,917
News Dealers and Newsstands-451212	43,509	0	43,509
Prerecorded Tapes, CDs, Record Stores-45122	316,923	112,114	204,809
General Merchandise Stores-452	26,207,558	6,248,381	19,959,177
Department Stores Excl Leased Depts-4521	11,711,876	0	11,711,876
Other General Merchandise Stores-4529	14,495,682	6,248,381	8,247,301
Warehouse Clubs and Super Stores-45291	12,545,270	4,503,778	8,041,492
All Other General Merchandise Stores-45299	1,950,412	1,744,603	205,809
Miscellaneous Store Retailers-453	6,160,038	1,691,741	4,468,297
Florists-4531	419,008	59,062	359,946
Office Supplies, Stationery, Gift Stores-4532	2,305,587	0	2,305,587
Office Supplies and Stationery Stores-45321	1,315,489	0	1,315,489
Gift, Novelty and Souvenir Stores-45322	990,098	0	990,098
Used Merchandise Stores-4533	451,525	0	451,525
Other Miscellaneous Store Retailers-4539	2,983,918	1,632,679	1,351,239
Foodservice and Drinking Places-722	19,989,859	4,051,276	15,938,583
Full-Service Restaurants-7221	9,068,381	2,257,705	6,810,676
Limited-Service Eating Places-7222	8,421,926	1,793,571	6,628,355
Special Foodservices-7223	1,628,255	0	1,628,255
Drinking Places -Alcoholic Beverages-7224	871,297	0	871,297



### **2.2.2 Potential Capture Scenarios**

It isn't reasonable to expect that Marion will capture all of the leaking retail sales from the Primary and Secondary Trade Areas. So we pulled the retail opportunities that present the highest potential for the community. These are store types where there is leakage in both the primary and secondary trade areas and where there is enough leakage to potentially warrant additional store types. These categories are:

- *Furniture and Home Furnishings* – Marion already has some strength in this market yet there is still market potential to capture additional sales. This could be a good longer-term recruitment strategy as continued development happens nearby.
- *Clothing* – As is the case in many communities Marion's size, clothing sales tend to leak to nearby communities where malls and shopping centers offer many clothing store options. However the amount of leakage and the potential to capture some of these sales could support additional stores including mom and pop stores in a downtown setting and family type clothing stores in suburban settings.
- *Gifts* – This store type would work in both downtown and in some suburban type locations in Marion. Furthermore, gift stores could be beneficial in attracting more visitor traffic to Marion. This strategy also points to a locally-made and handcrafted strategy as a catalyst to attract visitors.
- *Books* – While Marion does not have enough leakage to support a Barnes and Noble or Books-A-Million, it could support a locally owned book store. This store type might combine with a coffeeshop format to further expand its local appeal.
- *Jewelry* – The community does have leakage in the jewelry store category. This could enable a small jeweler to be successful or an existing jewelry store to expand offerings.
- *Sporting Goods* – Again Marion could not likely support a full service sporting goods store such as Dick's or Sports Authority, but it is likely that it could support a store that caters to outdoorsmen as well as local team sports.
- *Full Service Dining* – This represents one of the most important categories for Marion particularly in downtown as it will add foot traffic and continue to drive locals and visitors to downtown.

It is also important to recognize that this analysis looks only at local consumer demand in the Primary and Secondary Trade Areas and does not capture potential visitor traffic for stores. When visitor traffic is factored, the support for these store types becomes even more significant.

### **2.2.3 Overall Market Conclusions**

Marion has the opportunity to expand its retail presence based on retail leakage data for the two trade areas shown here. It is unlikely that Marion will experience strong growth in the market in the near

future but it should develop a strategy to capture some of the growth that will occur as a result of the inevitable development that will come to the area.

All told, Marion is uniquely positioned to continue to grow as a retail destination in many different categories based simply on the local demand for retail. In the early stages of development, however, Marion is likely to need to develop a series of strategies to retain local customers, create incentives for new retail, and expand the retail appeal of the community to capture a larger share of the market. The following chapter will explore these options.

### 3.0 Three Strategies for Marion

Equipped with the market data and community input documented above, this chapter is where the raw data is transformed into a set of goals and strategic action items. This section is divided into three sections each providing insight into one of the recommended strategies for downtown. Each of these strategies is inter-related and many of them dovetail closely with the recommendations of the STEP program. These should be incorporated into the work programs of the various STEP partners in Marion and McDowell County. These strategies are:

- Setting the Stage: Putting the Brand to Work
- Retaining the Customer: Existing Businesses
- Expanding for the Future: Recruitment Campaign

#### 3.1 Setting the Stage: Putting the Brand to Work

These recommendations are designed to take the existing Marion logo shown below and leverage it into a consistent “brand” that can then be used in a variety of marketing material for Marion. The logo and tagline for Marion include a commercial message “where Main Street meets the Mountains” that can be a foundation for many different applications.



Figure 9: The Marion logo and tagline.

- *Reinforce local loyalty campaign.* Marion has a lot to offer local residents and newcomers are moving to the area particularly around Lake James and in the mountains. However, it is always a challenge to keep local shopping in the forefront of local resident’s minds amidst the many options they have in nearby larger communities. It is natural to expect that residents will continue to do some of their specialty shopping and dining elsewhere, but if Marion promotes the benefits of local shopping to residents they are likely to become more loyal to local retailers. This is particularly important in Marion where county residents with a Marion zip code are much less loyal to downtown shops than town residents. A local loyalty campaign can help retain these customers and recruit new customers from the strong local base. This could take the form of local ads promoting downtown or special events for loyal customers to augment the current efforts of the McDowell Chamber of Commerce. A loyalty campaign should target all of McDowell County and positively profile the many businesses and merchandise types that are available in the community. Marion may even consider a “Main Street Meets the Mountains Card” as a loyalty program whereby the

cardholder would enjoy special offers (not necessarily discounts) at participating Marion merchants. The card could be stamped or punched and, at the end of the year, card holders with enough stamps would be entered into a drawing for a prize or weekend getaway.



Figure 10: Examples of local loyalty marketing using the Marion logo.

- *Create a shop local web site with downtown brand.* The web has become one of the principal ways that people learn about places they visit. Marion is no different. The community is already host to a number of excellent and content rich websites from [downtownmarion.org](http://downtownmarion.org) to [mcdowellchamber.com](http://mcdowellchamber.com) as well as the city and county economic development sites. Each of these sites might consider linking to a new shopping and business website ([shopmarionnc.com](http://shopmarionnc.com) is available for purchase) that provides profiles of area businesses, links to their websites. The community could launch a “blitz” promoting the new website to drive traffic. One of the great advantages of a website of this nature is that the community can monitor traffic on the site and see how various promotional items drive traffic.

- *Develop a banner program using the brand.* Banners can be a very effective way of conveying information about special events, continuing the brand, and adding interest and variety to the community. Marion should develop a banner system that promotes local shopping, dining, and events. These banners could locate throughout the community but concentrate on gateways and outlying districts to direct visitors into downtown. The examples below show what a banner system for Marion might look like.



Figure 12: Example banner designs for Marion.

- *Use brand for wayfinding system directing visitors to shopping districts.* Marion already has several excellent gateway signs for the community. The community should work to create a system beyond the initial gateways to direct visitors to the various amenities and districts within the community. North Carolina's Department of Transportation has been resistant to wayfinding sign systems although neighboring South Carolina and Virginia have embraced these systems as convenient ways to reduce sign clutter and help motorists find their way through communities. Some North Carolina communities have gotten around these restrictions by working outside of the DOT right-of-way to place signs while others are teaming up to work with DOT to change the regulations. We have illustrated what a potential sign system might look like for Marion.
- *Develop shopping and dining guide using the brand.* A shopping and dining guide can also be an effective tool for both residents and visitors to a community. These should be easy to read and try

to be as inclusive as possible of retail shops and restaurants. For Marion this guide should be circulated to both visitors and residents.



Figure 13: Example wayfinding system for Marion.

### 3.2 Retaining the Customer: Existing Businesses

This series of recommendations is designed specifically to partner with existing businesses to help retain existing customers and attract new customers.

- *Launch a cooperative advertising program.* Many communities develop cooperative ad campaigns that collect money from individual merchants and place small business card size ads in newspapers and magazines. This form of cooperative advertizing tends to “get lost in the shuffle” of the many media messages being sent to consumers. Marion should take the concept of co-op ads and create a small grant program to help businesses advertize. A provision of the grant would request the business to use the Marion logo and tagline in the ad or better yet follow a consistent theme for the ads. A \$3000 program could leverage an additional \$6000 in ad placements a year at a 33% grant match. A second strategy for the co-op effort is to have coordinated media buys twice yearly alongside the local merchants. This strategy does several things. First, it works to avoid the door-to-door sales pitch from a variety of media selling ad space. Second, it allows Marion and its partners the chance to compare media proposals side-by-side. Third it encourages competition among the media to provide downtown a good deal. Fourth and finally, it provides a clear way to place media before the summer season and before the holidays.

- *Develop guerilla marketing tactics.* Many of the best marketing efforts do not rely on traditional ad placement however and can be an affordable way to get the word out about what Marion has to offer. These creative tactics are called guerilla marketing. Some guerilla marketing ideas for Marion are to work directly with local developers and real estate agents to ensure that the retail offerings in downtown and throughout Marion are promoted. Another tactic is to host neighborhood receptions, shopping “crawls”, and retail advisory boards to help local merchants reach their client base. Marion should hold a brainstorming session to think up creative and inexpensive tactics to reach their consumer and experiment. The beauty of these creative tactics is that the community can quickly determine how effective they are.
- *Provide business consultation services for existing businesses.* Whether it is strategic planning, customer retention, visual merchandising, or marketing assistance, many independent businesses find that they could use guidance from a professional to help them through major decisions or day-to-day management. There are retail consultants who specialize in helping small businesses with these decisions. Marion should contract with a retail specialist to conduct a seminar and provide a series of one-on-one consultations to local businesses to make them a stronger part of the retail market.
- *Host quarterly retail roundtable.* Building on the initial strength of the retail consultations, Marion should host quarterly retail roundtable meetings to provide local merchants a forum to discuss current market trends, marketing efforts, and each other’s business successes and challenges. This can be a great way for local businesses to market one another as well. The Chamber of Commerce in partnership with the Marion Business Association office could host this forum.

### **3.3 Expanding for the Future: Recruitment Campaign**

This series of recommendations is designed to help the community organize to recruit additional retail to the community to augment the existing retail base.

- *Present the findings of this Market Study to groups in the community and region.* The Marion Business Association along with its partners are actively working to promote the success of retail in Marion. This partnership should take the results and opportunities for future development established in this study “on the road” as a presentation to civic groups, regional partnerships, developers, and property owners in Marion to ensure that many people know the efforts that are about to take place. Some organizations have formed speakers’ bureaus to share this information.
- *Consider incentive package for retention/recruitment.* Many communities have implemented incentive programs to encourage business to stay or locate in their downtown or specific districts within a community.
  1. *“Grant back” for desired businesses.* In a grant-back program, targeted business types receive a grant (refund) for rent, utilities, or other fees. Frequently these programs require that the businesses get the refund over a period of time. Marion could establish a small annual grant back program to recruit retailers identified in the market study (home furnishings, apparel, specialty food, full service dining). The grant back program would offer assistance with business start up costs or business expansion.

2. *Façade grant program.* A façade grant is simply a grant available to investors who wish to renovate or restore an existing building. These programs typically involve a match for investment and can have “strings” attached to encourage the type of businesses and design quality that the community desires. Marion should create a program offering a 25% match to investments up to \$1,000 per grant. The program should be capitalized with \$5,000 to \$10,000 per year to encourage renovations of key properties.
  3. *Micro-enterprise loan.* Revolving and micro-enterprise loans have been used with much success in some communities to encourage entrepreneurial activity. The benefit of such a program is that they can be used to retain existing businesses as well as recruit new businesses to downtown. The loan program would be a revolving fund and could be managed by the Marion Business Association in partnership with local banks. An initial capital investment dedicated to this program would be necessary and a minimum amount of \$50,000 should be explored.
- *Consider visit to the International Council of Shopping Centers.* This is the trade organization for the retail industry. There are regular meetings in Charlotte and Atlanta as well as a large national exhibition in Las Vegas each year. The community can learn about the trends in retailing, meet developers of retail projects, and become more knowledgeable about the industry. Neighboring communities do attend these meetings, which could be a great way to partner regionally on efforts.
  - *Consider catalyst projects for retail development.* Catalyst developments are typically public/private projects that “jump start” additional investments from other private sector resources. Marion is and should continue to explore such projects in the community. Several options already under consideration are:
    1. *An Arts Incubator.* This would be gallery and studio space for local artisans in Marion and McDowell County. This facility would focus on the “made locally” initiative already underway under the STEP program. The facility could be a way to recruit artisans, craftsmen, and related industries to Marion while creating visitor interest and retail critical mass in downtown Marion.
    2. *Meeting facilities to drive traffic to the community.* Marion has discussed creating a meeting facility for corporate retreats and conferences. Such a facility would serve the community well if it were flexible, had a location convenient to local shopping, and could in some ways use local vendors to supply food and other resources for the project.
    3. *Historic Marion Tailgate Market.* The idea for a Tailgate Market came from a community visioning sub-committee for NC STEP project. The market began in 2007 as a partnership between the City of Marion, the McDowell Extension Service, the Marion Business Association, and the McDowell Tourism Development Authority. The City of Marion worked to establish a shade shelter for the project and in a short period of time the market is attracting a large customer base with twenty-five vendors in place on a regular basis. The shelter will also enable the “made in McDowell” efforts to promote local agri-business and crafts and be flexible enough to host special events and activities. This effort located in a high visibility location in downtown Marion can catalyze more business activity in downtown.



### **3.4 Conclusion**

This report is the product of a successful partnership led by the Marion Business Association with the support of many other partner organizations to engage the community in an process to examine the future retail success of the community. It is only through this continued spirit of partnership that the recommendations in this study can be successful.

Fortunately, Marion has not been sitting idly by waiting to react to change. The community has already begun aggressively pursuing a number of the projects outlined in this report and the North Carolina STEP program has been a catalyst for these efforts.

