

Town of Boonville
NC Small Towns Economic
Prosperity (STEP) Program
Economic Development Plan
April 13, 2010

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In 2008, Boonville became a participant in the North Carolina Small Towns Economic Prosperity Program (NCSTEP) sponsored and funded by the NC Rural Economic Development Center. NCSTEP is designed to assist participating towns in three ways: 1) developing a Leadership Team of local citizens and officials, empowered by the community and committed to providing long-term leadership in economic development planning and implementation of projects resulting from the planning effort; 2) assisting the Leadership Team with producing a comprehensive strategic economic development plan, including an implementation plan for specific projects to advance the identified strategies; and 3) providing some funding to assist with project implementation. Although the Rural Center provides a coach to guide the process, developing and guiding the implementation of the strategic plan is entirely the responsibility of the Leadership Team. The process of developing the plan is designed to develop the capacity for the Leadership Team to carry out its responsibilities.

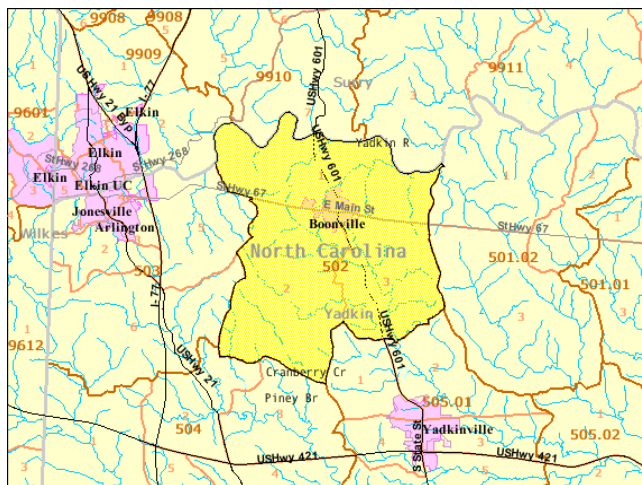
Mission of the STEP Leadership Team. The Boonville STEP Leadership Team is broadly representative of the diversity of citizens, businesses and organizations in Boonville. The first step in the planning process was to insure that the Leadership Team and the community clearly understand both the Team's source of authority and its responsibilities. Therefore, the Team developed the following mission statement. **The "Aiming for the Future" Leadership Team is empowered by the Boonville Town Board to develop and guide the implementation of a plan to improve the economy and quality of life for the greater Boonville community.**

Economic overview. Boonville is a town of 1,138 people (2000 Census) in Yadkin County, part of the emerging Yadkin Valley Wine Region of North Carolina. Yadkin, with an estimated 2007 population of approximately 38,000 is the westernmost county in the Winston-Salem Metropolitan Statistical Area (MSA) (estimated population of 463,000). The Winston-Salem MSA consists of Forsyth, Stokes, Davie and Yadkin Counties. Yadkin is the smallest county in the MSA and is very rural, with a population density of 108 persons per square mile (2000 Census) compared with 747 for Forsyth. Although Yadkin is adjacent to Forsyth, it has not yet experienced any significant spillover of economic activity from Forsyth. It is counted as part of the MSA only because of the number of Yadkin residents who commute into Forsyth for work. From 2001 to 2006, the residence adjustment for Yadkin County earnings grew from \$203million to \$302 million (Bureau of Economic Analysis data), reflecting a growing dependence of Yadkin residents on earnings from commuting to other areas, primarily Winston-Salem. In other words, in 2006 Yadkin residents earned \$302 million more by working outside the county than residents of other areas earned by working in Yadkin County. Clearly, Yadkin County's and Boonville's economic future will be enhanced by the continuing growth and expansion of the Winston-Salem urban area.

Westward commercial growth in the MSA is most likely to occur along US 421 toward Yadkinville. Although Boonville is only 25 miles from the northern sections of Winston-Salem, it is not likely in the foreseeable future to experience any business growth as a direct result of MSA expansion. Any impact of MSA growth is more likely to be experienced as a result of residential development in Boonville and the surrounding rural area. However, if and when the western section of the proposed northern loop around Winston-Salem is built, it will have a significant impact on the extent to which Boonville is integrated into the greater MSA, both socially and economically.

Boonville is located in the approximate center of Yadkin County (Figure 1) at the intersection of US Hwy 601 and NC Hwy 67, and has been referred to as the “Crossroads of the Yadkin Valley.”

Figure 1. Boonville and Census Tract 502



The limited commercial activity in Boonville does serve a broader population base. Just counting the surrounding Census Tract includes an estimated 2006 population of 4,362 people, most of whom may prefer the convenience of shopping in Boonville but face severely limited buying options in the town.

Current economic and demographic data about Boonville is limited. However, with 2000 Census data we can draw some comparisons among the town, census tract, county and the state. As shown in Table 1, Yadkin County is relatively homogeneous by race and ethnicity with over 90% white only in the county, Census tract 502 and Boonville, compared to only 72% white only in North Carolina. Although we do not have any data for verification, casual observation as well as understanding what is happening throughout the state would lead one to expect that the Hispanic and Latino population percentage has increased significantly since the 2000 Census.

Table 1. Racial and Ethnic Distribution (2000 Census)

	Yadkin County	Census Tract 502	Boonville	North Carolina
White only	92.5%	91.5%	94.3%	72.2%
African American only	3.4%	5.0%	4.5%	21.6%
Other (including multiple race)	4.1%	3.5%	1.2%	6.2%
Hispanic or Latino (any race)	6.5%	4.7%	0.4%	4.7%

Educational attainment is an important measure of workforce capacity. The percentage of high school graduates in the age 25 or more Yadkin population (Table 2) is somewhat lower than for the state, and the percentage with a Bachelor's degree or higher is only about half that of the state.

Table 2. Educational Attainment of Population Age 25 or over (2000 Census)

	Yadkin County	Census Tract 502	Boonville	North Carolina
High School Graduate or Higher	70.2%	72.7%	80.0%	78.1%
Bachelor's Degree or Higher	10.3%	10.7%	14.2%	22.5%

As shown in Table 3, income averages in the county, census tract and town lagged behind that of the state in 1999. According to BEA data, the Yadkin County per capita personal income in 2006 was \$26,702 compared with \$32,247 for North Carolina. The 2006 number ranks Yadkin County 59th in per capita income among North Carolina counties.

Table 3. Income Averages (2000 Census)

	Yadkin County	Census Tract 502	Boonville	North Carolina
Per Capita Personal Income in 1999	\$18,576	\$18,131	\$16,101	\$20,307
Median Family Income in 1999	\$43,758	\$41,875	\$42,794	\$43,758

For 2006, the Bureau of Economic Analysis reports total personal income in Yadkin County at just over \$1 billion. Table 4 is the distribution of this income across broad sources compared with North Carolina. The table shows several interesting difference between the county and the state. Farm Income, Dividends, Interest and Rent, and Proprietors' income each account for a smaller portion of Yadkin's total than for the state. Personal transfer payments, which consist primarily of pensions, social security, supplemental income assistance and medical payments account for a much larger portion of income in Yadkin County than in the state.

Comparing earnings by place of work with earnings by place of residence reveals a strong contrast between the county and state. As mentioned earlier, much of Yadkin's earnings comes from outside the county, while the state percentages indicate that a larger proportion of earnings in North Carolina go to people who live outside the state than is brought in by NC residents working outside the state.

Table 4. Components of Personal Income in 2006 for Yadkin County and North Carolina (BEA data).

Income Component	Yadkin County (% of Total)	North Carolina (% of total)
Total Personal Income (\$000)	\$1,003,353 (100%)	\$286,009,816 (100%)
Farm Income	2.5	4.2
Earnings by place of work	41.5	76.7
Earnings by place of residence	66.4	67.4
Dividends, Interest and Rent	12.3	16.2
Personal Transfer Payments	21.3	16.4
Proprietors' Income	5.5	7.1
Nonfarm Proprietors' Income	3.3	6.6

According to BEA data, total personal income in Yadkin County grew by 16.8% from 2001 to 2006. During that period, earnings of Yadkin County residents increased by 15.6%, Dividends, Interest and Rent decreased by 4.2% and personal current transfer receipts increased by 39.1%. Per capita personal income grew from \$23,363 to \$26,702.

Table 5 shows growth in earnings of Yadkin County residents by industry sector from 2001 to 2006. Several sectors, including manufacturing grew substantially. The largest absolute increases were in manufacturing and in government and government enterprises. Note that a (D) in a cell denotes data that was suppressed for privacy requirements.

Manufacturing, at \$111.5 million accounts for almost 27% of total earnings within the county. Over two-thirds or 66% of manufacturing earnings in 2006 were in nondurable goods, including \$61.7 million (55.3%) in textile mills. In contrast, manufacturing in North Carolina in 2006 accounted for only 15.8% of earnings. When measured by percentage of employment, rather than percentage of income, manufacturing is an even smaller portion of the North Carolina economy. Given state and national trends, the likely scenario is that manufacturing will decline as a proportion of the Yadkin County economy.

Table 5. Yadkin County Earnings by Industry 2001 and 2006.

Industry	2001 Income (\$000)	2006 Income (\$000)
Forestry, fishing, related activities, and other	1,110	1,064
Mining	138	661
Utilities	(D)	1,273
Construction	31,173	35,640
Manufacturing	99,007	111,536
Wholesale trade	(D)	13,989
Retail trade	31,860	29,071
Transportation and warehousing	14,321	16,543
Information	9,788	13,395
Finance and insurance	6,795	12,312
Real estate and rental and leasing	2,106	2,085
Professional and technical services	(D)	(D)
Management of companies and enterprises	(D)	(D)
Administrative and waste services	7,794	8,378
Educational services	256	(D)
Health care and social assistance	20,682	(D)
Arts, entertainment, and recreation	1,041	(D)
Accommodation and food services	12,055	(D)
Other services, except public administration	13,647	16,455
Government and government enterprises	55,492	67,137

Boonville has a small business sector in a relatively small county and many goods and services are not available in Boonville or in the county. Therefore, one would expect that the rate of “leakage” of income out of the local economy is relatively high. Table 6 compares retail sales

Table 6. Taxable Retail Sales.

	Taxable retail sales in 2007-08	2007-08 Taxable retail sales per capita (2006 population)	2007-08 Taxable retail sales as a percent of 2006 personal income
North Carolina	\$107,937,193,038	\$12,170	37.7%
Forsyth County	\$4,232,988,891	\$12,751	35.0%
Yadkin County	\$162,742,911	\$4,327	16.2%

per capita and as a percent of personal income for North Carolina, Forsyth County and Yadkin County. Comparing Yadkin with both the other areas shows a very high rate of leakage of retail expenditures from Yadkin County. A similar ratio would most likely apply to purchases of medical and other services by Yadkin County residents. Yadkin County personal income is obviously sufficient to support a much larger retail and service sector. The question for

Boonville is whether profitable market opportunities can be identified in the retail and service sectors. Would an enhanced, more attractive downtown, with a greater variety of establishments, result in enough commercial activity to support the participating businesses?

Paths to sustaining and growing the Boonville economy. Boonville, 8 miles from Yadkinville, 8 miles from the Jonesville-Elkin area, and 25 miles from the urban core in Winston-Salem, has a close economic relationship with the surrounding area, but is obviously dependent on the Winston-Salem market. Boonville's relationship with Winston-Salem is, and always will be, unbalanced, with income from the small town leaking out to the urban area to purchase goods and services which are either not available or with limited choice in the small town. The challenge for Boonville is to increase its income and reduce the proportion that is spent in the neighboring urban markets.

In that context, we identified six potential paths to sustaining and growing the local economy. The six paths are:

1. Retain and expand existing businesses.
2. Improve local linkages and reduce leakage of income out of the community.
3. Create new businesses through supporting entrepreneurship.
4. Increase earnings outside the community (commuting to work).
5. Capture more unearned dollars.
6. Attract more outside investment.

Each path involves increasing the income potential of the community or reducing the expenditure leakage from the community.

Identification of assets and limiting factors. In a brainstorming session, the Leadership Team divided into small groups to consider each potential growth path relative to the capacity of the community. In small groups, the Team considered each of the six alternatives, first focusing on aspects of the community that would increase the likelihood of success, then focusing on aspects of the community that would decrease the likelihood of success. Table 7 is a list of identified community assets and resources mapped to each of the six paths for growing the community. Table 8 is a list of constraints and limiting factors that, left unaddressed, would reduce the potential for pursuing a particular growth path. Examining both of the tables should move us toward two of our objectives: first, articulating a vision of Boonville in the future and second, identifying potential strategies for growing the Boonville economy and achieving our vision for the community.

Boonville obviously has many of the issues commonly associated with a small town, and many of the assets identified above also translate into constraints. For example, empty buildings are identified as an asset to the extent that they provide opportunities to locate new businesses, but are also identified as a constraint because vacant property in the downtown area is an impediment to marketing the community to new residents and tourists. The current well-based water system may be adequate to serve the existing residents and businesses, but it is not adequate to support any substantial growth. Together, the assets and limiting factors define

Boonville's potential for growth. Growing the community will require addressing both opportunities and constraints.

Vision for Boonville. Following the community assessment and identification of assets and limiting factors, the Aiming for the Future Leadership Team undertook the task of visualizing the Boonville community of 2020. What is desirable and possible for the community 10 years from now? The Team considered several dimensions, including the physical appearance of the downtown, mix of businesses, population size and mix, income levels and sources of income, public facilities, recreation opportunities and infrastructure, and other characteristics members considered important. At the January 13, 2009 meeting, the Aiming for the Future Leadership Team discussed their 10-year vision for the community. The following description of Boonville in 2020 is a summary of the group's vision.

Boonville in 2020 will be an inviting small town of 2,000 to 2,500 people consisting of working families and retiree families. The compact commercial/business district will have a "Village" theme, be highly "walkable" with pedestrian access from residential areas, and include attractive amenities such as sidewalks, lights, and landscaping features. The downtown will include many more shopping options than currently exist, with a mix of unique businesses, a farmers' market, additional grocery options, mid- to high-end restaurants and alcohol sales. A high-end outlet center may complement the other commercial activity.

Boonville is envisioned as an interesting place for townspeople, area residents and tourists visiting the Yadkin Valley. It will include a mix of arts and recreational activities for youth and seniors, host one or more annual festival type "event", include an event center to serve both private and public sector organizations in the region seeking an attractive venue for a variety of activities. In that context, it will include overnight accommodations and function as a starting place for visitors to the wine industry and seekers or those interested in or those drawn to those interested in local history. The downtown landscape would include condos and apartments.

Prosperity will be reflected by higher average incomes, an enhanced quality of life, and the availability of jobs in the local area sufficient to entice youth to remain in the area.

Achieving this dream will require substantial improvement in the local economy, but there is likely to also be a feedback relationship, such that improvements in the community will also contribute to the improved economic potential of the area. Moving forward, the task for the Aiming for the Future Leadership Team is to pursue strategies and develop projects that will lead toward achieving the prosperous community reflected in this vision. Boonville's unique location in the fringe of a growing metropolitan area with outstanding medical facilities, and in the midst of the Yadkin Valley Wine region supports the likelihood of success if appropriate strategies are pursued with sufficient intensity. Appropriate target audiences for Boonville's development strategies are likely to include potential visitors to the Yadkin Valley Wine area (tourists), working families relocating to, or moving within, the Winston-Salem Metropolitan Area, and

older families considering relocation to a small town. In addition, capturing a larger proportion of expenditures of local area residents should be an economic goal.

Development strategies. During the February 17, 2009 meeting of the Boonville Aiming for the Future Leadership Team, discussion centered on possible economic development strategies for the town. The following eight potential strategies were identified and discussed in some detail.

1. Support county level industrial development (recruitment) efforts.
2. Build a tourism sector based on the regional wine industry, local culture, history and arts.
3. Grow the Boonville retail/commercial sector.
4. Grow the residential sector by attracting families and retirees.
5. Cultivate and promote entrepreneurship.
6. Improve the local transportation system, including public transportation.
7. Increase opportunities for youth.
8. Support existing businesses.

Considering these eight potential strategies in light of the combination of resources, constraints and vision for the community, as well as the potential target audiences leads to several issues. First, since Yadkin County is part of the Winston-Salem MSA, a county level industrial recruitment strategy is appropriate. Manufacturing establishments, distribution centers and call centers are all potential targets for the county program. However, Boonville can contribute very little directly to such an effort, other than endorsing it as a county program. Therefore, other than encouraging the Town to provide appropriate infrastructure, the Leadership Team did not focus any of its strategic effort in that direction.

Item 2, “Build a tourism sector based on the local wine industry, culture, history and arts” is a well defined strategy aimed at an identifiable target audience. It can involve both developing tourism product and a long-term marketing campaign to attract tourists into the area. In considering this potential strategy, Boonville should look to its competitive advantages, as well as potential areas for cooperation, compared to other towns in the Yadkin Valley. For example, can Boonville be the logical starting point for winery tours? What can be added in the community that might make it a more interesting place for tourists?

The other six potential strategies identified above relate to the three target audiences for building a permanent population and business base. They may be summarized as market development, business development and community development, all aimed at strengthening the income and job capacity of the community. Market development implies a strategy for reaching out to retirees, area residents and relocating families with a program to sell Boonville as a great place to live work and shop. A business development strategy built around supporting entrepreneurship and identifying business ideas to expand the Boonville commercial sector can be an important component of making Boonville a desirable place for tourists and the other target audiences identified above. Community development involves improving the aesthetics of the community as well as improving its capacity to provide non-business services to make the community a viable location for retirees and working families, and a desirable place for local

area residents and tourists to spend time and pursue interesting activities. For example, increasing opportunities for youth can be a key component of making the community more family-friendly and a more desirable location for Winston-Salem MSA workers to locate.

Following extended discussion of the alternatives and issues listed above, the Leadership Team identified the following four interrelated strategy areas within which to formulate and carry out projects to help realize the Team's vision of Boonville in 2020.

- **Strategy 1:** Build a Boonville tourism sector based on the Yadkin Valley wine industry, local culture, history and arts.
- **Strategy 2:** Develop a marketing program to sell Boonville to potential retirees, tourists, residents of the surrounding area and families relocating to or within the Winston-Salem MSA.
- **Strategy 3:** Establish an entrepreneurship support and business development program to help expand the Boonville business sector.
- **Strategy 4:** Pursue a community development program designed to make Boonville more attractive and interesting to tourists, area residents, retirees and relocating families.

It is worth emphasizing that these four strategies are interrelated, and that success in implementing projects under any strategy will help build a more vital community, attractive to the target audiences and attractive to local residents who want to spend time shopping and relaxing in their own small town.

Project development. The focus of the four strategies is to help position Boonville for long-term economic prosperity. In that context, the Aiming for the Future Leadership Team has chosen five projects designed to improve the town's capacity and attractiveness for development. Over time, as the initial projects are implemented and the Team continues to review the town's economic development needs, other projects will probably be added to the mix. The initial projects are summarized below.

- **Project 1. Establish the Yadkin Valley Event Center in Boonville.** The event center will be a meeting facility capable of hosting large and small events ranging from family-based activities, such as wedding receptions, to corporate or public sector meetings of several hundred people. The center would provide a much needed venue for local and regional events. Although this project will be initiated with a feasibility analysis and business plan, the Team assumes that the Winston-Salem MSA area has sufficient demand to support such a facility. Establishing an event center will be a formidable and expensive undertaking. Care must be taken to understand the potential demand for such a facility, and to estimate the potential competition from similar facilities currently opened or planned in the metro area.
- **Project 2. Develop a Marketing program to expose Boonville to the tourism, retiree and local MSA markets.** It is appropriate to consider pursuing the marketing of Boonville in three stages. First, seek professional assistance to

analyze the markets for tourists and retirees with above average potential for visiting the Yadkin Valley, in the case of tourists, and for retirees relocating to the Boonville area. Although tourists and relocating retirees may come from any area, resources will not be sufficient for a broad-based marketing campaign, so it is appropriate to identify a limited number of groups and areas to whom marketing outreach will be extended. The second phase is development of a clear statement of what we are selling and a consistent message to target audiences. What is the Boonville brand and how can it be presented on the web site, in advertisements and other outreach materials? Once the brand and message are defined, local businesses and other organizations should be encouraged to incorporate them into their marketing efforts. Armed with a brand and message, and knowledge about the markets most likely to yield new visitors or new residents, Boonville can develop and implement a specific outreach and marketing program to implement over the next five years. Some of the effort will involve costly activities, such as purchasing advertising, producing and dispersing brochures and participating in travel and trade shows. However, it is also possible to make some relatively low-cost effort toward getting out the message. Changing the town web site to reflect the new brand and message will be relatively low in cost, as will incorporating the brand and message into public sector materials. Also, submitting news articles or quasi-news articles to newspapers and magazines may produce interesting results.

- **Project 3. Design and implement a business development and entrepreneurship support program.** The first step in this project has already been undertaken by reestablishing the Boonville Business Association (BBA) as the leadership organization to promote business development and entrepreneurship. Under the guidance of the BBA, the program should consist of at least the following components: 1) periodic networking and educational meetings bringing members of the business community, new and aspiring entrepreneurs, service providers (such as the Surry Community College Small Business Center) and other interested individuals together; 2) marketing of the Boonville business sector as a destination for local residents; and 3) a recruitment and training program, such as the “Start Your Own Business” workshop series to identify, provide some basic business training and recruit mentors for people with business ideas that they are interested in pursuing.
- **Project 4. Systematically improve the attractiveness of downtown Boonville by developing and implementing a plan to visually enhance streetscapes and business facades according to the Village theme.** Project 4 consists of two parts, including applying to the NC Main Street Program for assistance with planning, and conducting through the Town Board a thorough review and revision of the Town’s Zoning Ordinance.
- **Project 5. Connect to Yadkinville or Jonesville water system to provide adequate water supply for residential and commercial growth.** The Boonville water supply is not adequate to support commercial and residential growth. Yadkinville, less than 8 miles away, has surplus processing capacity and has

expressed willingness to expand its service area to Boonville. If Boonville wants to grow and compete for business and residential development in the Winston-Salem MSA providing adequate water to support growth is mandatory. Although the Leadership Team and the NCSTEP implementation funds will play a minor role in this project, the Team can be the catalyst for encouraging all cooperating parties to move forward as quickly as possible.

Project Implementation

The five projects selected by the Aiming for the Future Leadership Team were selected because they constitute initial efforts to take advantage of Boonville's location in the Yadkin Valley Wine Region and within the Winston-Salem MSA. With appropriate planning and development of infrastructure, Boonville can grow and strengthen its presence as an attractive small town in the growing Winston-Salem MSA. The approach must be long-term and will likely involve planning additional projects to support and implement the four development strategies. Both from the standpoint of implementing the projects identified here and from the standpoint of providing long-term leadership, the Town should institutionalize the Aiming for the Future Leadership Team, or an equivalent group, as an economic development committee reporting to the Town Board. Likewise, the Leadership Team will need to keep subcommittees or community groups, such as the Boonville Business Association for business development and entrepreneurship, focused on each of the five projects. Implementation issues regarding each project are discussed below.

- **Establish the Yadkin Valley Event Center.** The event center, to be established in Boonville, will be a meeting facility capable of hosting large and small events ranging from family-based activities, such as wedding receptions, to corporate or public sector meetings of several hundred people. As currently planned, the event center will be established in a currently underutilized industrial facility, accomplishing the dual purposes of providing a location for both large and small events in the community and improve the overall attractiveness of the community by adaptive reuse of a currently less than attractive facility. The market area for the event center will be the Winston-Salem MSA and the Yadkin Valley. Pursuit of this project is based on two factors: 1) the need to provide for adaptive reuse of an existing large facility in the downtown Boonville area; and 2) the assumption that the Winston-Salem MSA will generate sufficient event demand to make the project viable as a business opportunity.
- **Develop a Marketing program to expose Boonville to the tourism, retiree and local MSA markets.** It is appropriate to consider pursuing the marketing of Boonville in three stages. The first phase is development of a clear statement of what we are selling and a consistent message to target audiences. What is the Boonville brand and how can it be presented on the web site, in advertisements and other outreach materials? Once the brand and message are defined, local businesses and other organizations should be encouraged to incorporate them into their marketing efforts. Second, seek professional assistance to analyze the markets for tourists and retirees with above average potential for visiting the Yadkin Valley, in the case of tourists, and for retirees relocating to the Boonville area. Although tourists and relocating retirees may come from any area,

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- **Establish an entrepreneurship support program to provide training, guidance and mentoring to new and potential entrepreneurs.** If Boonville is to compete for local area resident's expenditures and grow through attracting tourists, attracting retirees and metropolitan area working families, a prerequisite for such new business activity is filling some of the gaps in local service and retail business. In addition, potential exists for producing products for export to the region and more remote areas. Growing these local businesses will require a focus on supporting entrepreneurship.

There has been a large increase in emphasis on supporting entrepreneurship and small business development throughout North Carolina, and a number of organizations are available to help individual businesses and to assist communities. The Small Business and Technology Development Center network affiliated with the UNC university system, the Small Business Centers at the local community colleges, NC Real (working primarily through high schools), SCORE and various regional organizations offer training and assistance to individual businesses. In addition the Rural Center's Institute for Rural Entrepreneurship and a number of university programs provide support and assistance to communities. However, the availability of support does not translate into an aggressive program at the community level. The various support organizations should be asked to participate, but an aggressive community program in support of entrepreneurship requires strong local leadership in Boonville. As stated earlier, the recently reorganized Boonville Business Association has indicated willingness to fill the leadership role.

A local entrepreneurship support program can be organized in a variety of ways. For example, some communities leave the program entirely in the hands of the county economic development commission and others rely on their local community college small business center. While both should be active participants in the community's entrepreneurship support program, neither is likely to provide the enthusiastic leadership needed. The Boonville BBA intends to adopt a model originally developed by Appalachian State University, with financial support from the NC Rural Center. This model relies on local leadership and encourages active participation by all willing service providers in the area. This model has been proven to be effective and sustainable in

Watauga County and Burke County. The model is relatively inexpensive to implement because materials developed by ASU are available from the ASU Entrepreneurship Center and can be adapted to any community. A step-by-step program plan is outlined below.

Step 1. Organize a local leadership committee. The local leadership committee is the catalyst for developing a long-term approach to establishing a culture of support for entrepreneurship as well as implementing training and networking programs identified below. In Boonville, the leadership committee is expected to be a committee organized by the BBA and with the bulk of its members being BBA members. The committee needs a strong and enthusiastic champion of entrepreneurship as its chairperson. The committee should supplement the BBA members with representatives from other interested organizations, especially those directly involved in business and economic development. For example, the director of the community college small business center and a representative of the nearest office of the SBTDC as well as the county economic development director should join the committee. The committee will define its own mission, but it logically should provide a broad range of leadership and support. It should sponsor the workshop series outlined below (or an equivalent recruitment and training program for potential new entrepreneurs), recruit members to mentor new businesses, host networking meetings or affiliate the community with a county-wide or regional network, review regularly the status of entrepreneurship support in the community and promote support of youth entrepreneurship programs.

Step 2. Initiate and sponsor a recruitment and training program for new entrepreneurs. For this step, the leadership committee will need a partner to assist with outreach and to deliver the initial training. In Watauga County, the Appalachian Regional Development Institute (ARDI is now defunct, but the entrepreneurship program has been incorporated into the work of the Appalachian Center for Entrepreneurship.) prepared materials and recruited candidates for the Start Your Own Business Workshop Series and two entrepreneurship faculty members in the College of Business and affiliated with the Appalachian Center for Entrepreneurship (ACE) prepared and delivered the workshops. In Burke County the Western Piedmont Community College Small Business Center used the ARDI materials and recruited candidates for the workshop series. The initial series in Burke was presented by the ASU faculty members and served as a vehicle for training the SBC staff to conduct future workshop series. In both cases, the workshop series continues to be offered once every six months. The ASU Center for Entrepreneurship could be asked to play the same role as it did in Burke County; presenting the first workshop series and providing support for the local Small Business Center to develop its capacity for presenting future workshops. Ideally, over the long run, workshop management and instruction should be provided by the Small Business Center of Surry Community College. Another option is to find a member of SCORE or some other free lance instructor to deliver the workshop materials, with the committee handling the management and marketing of the program. In either case, your entrepreneurship subcommittee should remain the driving force to insure that the program is marketed effectively and offered on a recurring basis.

The workshop series consists of three workshops, with three week intervals, to allow for market research and business planning between workshops. Each workshop is approximately three hours. Burke added a fourth workshop to their program in order to allow more contact with mentors during the business planning process. The three workshops are as follows:

1. **Business Idea Development** deals with discovery and evaluation of new business ideas and practical information about starting and operating a business. Elements include
 - Assessing participant interests and skills.
 - Discussing the pros and cons of entrepreneurship and self-employment.
 - Evaluating business ideas.
 - Reviewing business needs in the community.

2. **Key elements of running a business** includes discussion of
 - Production
 - Marketing
 - Finance
 - Business planning
 - Assessing risk

3. **Making it happen.** Participants are paired with mentors (or mentor teams) and participate in discussion of an overview of market analysis and business planning. This session includes
 - Reviewing the basic business planning components.
 - Refining the business plan with assistance from the mentors.
 - Identifying next steps to turn plans into viable businesses.

For many participants the workshops are only the first step toward achieving the training and skills necessary to run a business and some may be referred to the SBC for additional coursework or to the SBTDC or SCORE for more formal counseling. Also, as the businesses are established and grow they are likely to need assistance with obtaining access to capital and other resources. Part of the workshop success is establishment of a culture of support for entrepreneurship within the community. If one or two businesses are actually started as a result of the workshop series it can be considered to be very successful. Over time, repeating the workshop series every six months or so will encourage members of the community to think about self-employment opportunities and how they can fill a need in the local business community. Surry Community College's six workshop sequence of entrepreneurial coursework may be a realistic alternative to the three workshops outlined above. Either way, it is important to realize the importance of an idea discovery and short training program as part of a community-based entrepreneurship program.

Step 3. Establish a network of interested businesses and service providers to address ongoing training needs and address issues in the business community.

Boonville appears to have a strong, but very small, local business community that would participate in networking events, especially if the events include topics that may help with continuing education of business owners and employees. Since Boonville, Yadkinville and the other small towns in Yadkin County are relatively close together, it would be more efficient to develop a county-wide network. The local group may also affiliate with larger regional groups for the purpose of sharing information and attending seminars and information sessions. For example the Piedmont Triad Entrepreneurial Association can provide access to a broader range of resources than is available locally.

Step 4. Evaluate the community's support for entrepreneurship. The entrepreneurship leadership committee should, on at least an annual basis, hold a meeting devoted totally to reviewing and evaluating the extent of support for entrepreneurs in the community. The committee should address a series of questions, such as

- “Do businesses in this community have adequate access to capital?”
 - “What is the school system doing to increase the exposure of students to entrepreneurship as an alternative to employment?”
 - “How is our workshop series working to increase the number of businesses in the community and to increase interest in entrepreneurship?”
 - “How much support are we getting from the SBC, SCORE, SBTDC and others, and if it is not sufficient how can we improve our working relationship with these organizations?”
- **Systematically improve the attractiveness of downtown Boonville by developing and implementing a plan to visually enhance streetscapes and business facades according to the Village theme.** Project 4 consists of two parts, including applying to the NC Small Town Main Street Program for assistance with planning, and conducting through the Town Board a thorough review and revision of the Town's Zoning Ordinances. Although not an “out-of-the-way” place, Boonville is not located on the major traffic arteries of I-77 north and south and US 421 east and west. Traffic flow along US 601 and NC 67 is not insignificant, but is also not sufficient to sustain the Boonville retail sector. Consequently, Boonville must develop its appeal as a destination for local area residents, tourists and metropolitan area residents looking for a special small town experience. Therefore, improving the visual appeal of the downtown, as well as its functionality, is a major complement to efforts to increase the town's retail and service alternatives.

Both parts of this project require authorization and support by the Town Board. If the Board agrees, it should authorize the Aiming for the Future Leadership Team to apply for participation in the NC Small Town Main Street Program on behalf of the Town. The benefit of participation in the program would be derived from assistance by the Main Street Program staff in helping to develop a Master Plan for Beautification of Downtown Boonville. It would include guidance on how to dress up the one or two block sections each way from the intersection of US 601 and NC 67, as well as other areas visible to visitors. Since the Small Town Main Street Program provides no direct funding for improvements, the Leadership

Team recommends allocation of \$15,000 in NC STEP implementation funds to match investments in façade and landscaping by businesses in the designated downtown area.

- **Connect to Yadkinville water system to provide adequate water supply for residential and commercial growth.** The Boonville water supply is not adequate to support commercial and residential growth. Yadkinville, less than 8 miles away, has surplus processing capacity and has expressed willingness to expand its service area to Boonville. If Boonville wants to grow and compete for business and residential development in the Winston-Salem MSA providing adequate water to support growth is mandatory. Although the Leadership Team and the NCSTEP implementation funds will play a minor role in this project, the Team can be the catalyst for encouraging all cooperating parties to move forward as quickly as possible.

Summary of Recommended Use of NC STEP funds.

The projects identified above are ambitious and it is obvious that \$100,000 in NC STEP implementation funds will not be sufficient to support each project. For example, the water line or the event center could easily use all \$100,000 and still be far short of implementation. Consequently, we view the NC STEP implementation funds as seed money to help move the community forward. The recommended allocation of the NC STEP implementation funds is as follows:

1. Establish the Yadkin Valley Event Center	\$25,000
2. Branding and Marketing program	20,000
3. Entrepreneurship and networking for business development	10,000
4. Incentives for visual enhancement to downtown	15,000
5. Engineering study for water line	25,000
6. Ongoing leadership development	5,000

Implementation strategy.

The most important aspect of our implementation strategy is perseverance. Collectively, the five projects constitute a bundle of resource improvements and activities designed to enhance the town’s potential for renewed economic development. It is important to identify appropriate leadership to pursue each project. The event center, branding and marketing program and downtown improvements can be led by the subcommittees established to plan those programs. If any of the committees are not organized and charged with implementation planning and support, they should be established or revised immediately after the Board of Town Commissioners approves the plan.

The event center will depend on having a strong public-private partnership, with the private sector partner owning and developing the facility. The \$25,000 allocated to the project is intended to support some of the necessary engineering and marketing studies to determine the viability of the center. It will not be possible to move forward until the feasibility of the project is determined, both from the standpoint of market opportunities and the cost of renovation and up fit of the building.

Branding and marketing should proceed cautiously as the community clarifies its niche in the Yadkin Valley and the Winston-Salem MSA. However, it is important to note that the evolution of the community will only occur in response to growth opportunities. Therefore, it is appropriate to begin immediately establishing a brand and a message to use in reaching out to the target audiences. Boonville should consider using up to \$10,000 of implementation funds to employ a consultant with experience in assisting small communities with brand development.

The newly revitalized Boonville Business Association appears to have accepted the responsibility for the entrepreneurship and networking program. This may be an excellent opportunity to partner with Yadkinville, especially on training programs and networking. Identifying and nurturing new entrepreneurs is a key aspect of the program. Our alternatives include asking the Surry Community College Small Business Center to offer the six workshop sequence that is common throughout the community college system, or offer Boonville's version of the "Start Your Own Business" workshop series.

Incentive funds to encourage firms to improve the visual aspects of downtown Boonville should be utilized to respond to recommendations, either by a local review committee or the Small Town Main Street Program, if Boonville is selected for the program. If selection into the Small Town Main Street Program does not occur, the Leadership group could seek assistance from the regional Council of Governments at the same time that it seeks COG support for developing modifications to the land use plan and zoning code for the town.

Gaining access to an adequate quality and quantity of water to support growth is one of the most important factors for the future of the town. Therefore, Boonville should proceed immediately with exploring opportunities to cooperate with Yadkinville and the county to tie into the existing supply. Yadkinville appears to be a willing partner with excess water and is only 8 miles from Boonville.

Potential economic impacts.

Growing the Boonville economy is all about job development and income creation. Some of these projects, such as the event center, would have a significant early direct impact on jobs in Boonville. Others, such as the water line and improving the visual appeal of the downtown are designed to prepare the community to grow. Others, such as marketing and entrepreneurship, are designed to induce growth through outreach and training. To the extent that any of the projects are successful as economic development engines, they will either result in the export of goods and services from Boonville to other portions of the Winston-Salem MSA and the Yadkin Valley, or will cause local residents in Boonville and the immediate area to spend a greater portion of their income in Boonville. Growing the community by attracting retirees and by attracting Winston-Salem MSA families to live in Boonville may have the most immediate impact on local income and jobs.

One can only speculate on the potential jobs to be created by any combination of the projects. However, if all the projects are completed Boonville does become a more attractive place to live and visit. Imagine the impact on construction jobs if 20 to 30 new retirees are

| -attracted to Boonville, or if 10 new MSA families per year decide to locate in the Boonville area. In either case, new income brought into the community will result in a more stable and growing retail sector. Imagine the event center being fully utilized by regional groups and providing 5 to 10 new jobs per year. Imagine the training and networking programs of the Boonville Business Association causing the retention of 5 existing jobs and creation of 5 new businesses each year. The objective is a more prosperous Boonville, and generating 20 or 30 jobs per year as a result of these projects will add to that prosperity.

Appendix Table 1. Matrix of community assets and resources for sustaining and growing the local economy.

Asset or resource identified	Retain and Expand Existing Businesses	Improve Local Linkages and Reduce Expenditure Leakages	Create New Businesses through Entrepreneurship	Increase Earnings Outside the Community (Commuting to Work)	Capture more Unearned Dollars	Attract more Outside Investment
Empty buildings	x		x			
Adequate sewer capacity	x				x	
Adequate water capacity	x				x	
Location		x		x		
Surrounding rural population	x	x				
Property available		x			x	x
Diversity: small retail, agricultural, wineries			x			
Infrastructure: Highways			x			
Loyalty to buy local			x			
Community College Branch	x		x			x
Low crime rate				x	x	
Grocery store				x	x	
Churches				x	x	
Fire department				x	x	
Flour and Feed Mill				x		
Moderate Climate					x	
Viticulture Industry					x	
Beautiful area					x	

Appendix Table 1 (Cont'd). Matrix of community assets and resources for sustaining and growing the local economy.

Asset or resource identified	Retain and Expand Existing Businesses	Improve Local Linkages and Reduce Expenditure Leakages	Create New Businesses through Entrepreneurship	Increase Earnings Outside the Community (Commuting to Work)	Capture more Unearned Dollars	Attract more Outside Investment
Laid-back lifestyle					X	
Small-town feel					X	
Good traffic flow (no congestion)					X	
Internet availability				X	X	X
Public library				X	X	X
Near major highways						X
Tourists are driving here						X
Available workforce						X
Proximity to Rockford						X

Appendix Table 2. Matrix of constraints and limiting factors for sustaining and growing the local economy.

Constraint or Limiting Factor identified	Retain and Expand Existing Businesses	Improve Local Linkages and Reduce Expenditure Leakages	Create New Businesses through Entrepreneurship	Increase Earnings Outside the Community (Commuting to Work)	Capture more Unearned Dollars	Attract more Outside Investment
Old and dilapidated buildings	X		X			
Well-water system	X					
Parking	X					
Lack of public transportation	X			X		
Limited products		X				
Few retail stores		X				X
Lack of medical facilities		X			X	
Lack of child-care facilities		X		X		
No athletic facility except at elementary school		X				
No entertainment venues		X				
Limited financial resources, advice for getting started and business planning			X			
Skills of labor force			X			
Lack of available space with utilities			X			
Aged water system			X			
Land availability			X			
No entrepreneur support system—mentors for new businesses			X			
Lack of housing—apartments, condos				X		
Lack of community professionals—doctors, dentists, etc.				X		
No high-end restaurants				X		
Lack of housing for retirees					X	
Lack of modern shopping facilities					X	
Hardware needs					X	

Appendix Table 2 (Cont'd.). Matrix of constraints and limiting factors for sustaining and growing the local economy.

Constraint or Limiting Factor identified	Retain and Expand Existing Businesses	Improve Local Linkages and Reduce Expenditure Leakages	Create New Businesses through Entrepreneurship	Increase Earnings Outside the Community (Commuting to Work)	Capture more Unearned Dollars	Attract more Outside Investment
Lack of unique shops and businesses					X	
Lack of entrepreneurial interest						X
No planned growth						X
Unattractive buildings, abandoned buildings, abandoned homes						X
Aged infrastructure						X
Lack of nice eating establishments						X