

STRONG ECONOMIES, RESILIENT COUNTIES

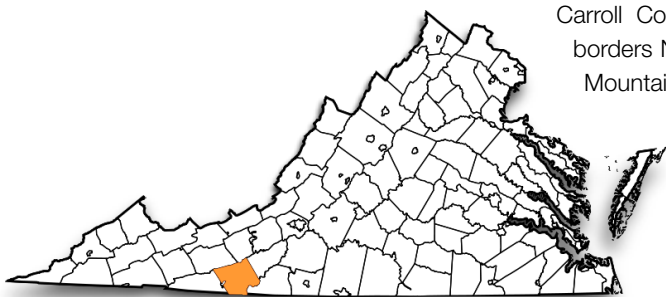
The Role of Counties in Economic Development



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CARROLL COUNTY, VIRGINIA

Encouraging Entrepreneurship and Job Growth



Carroll County is a small rural county located in southwestern Va., which borders North Carolina to the South and includes a portion of the Blue Ridge Mountains in its Western half. Historically, Southwestern Virginia was known for its textile and furniture manufacturing industries. The long-term decline of these industries affected the region, including Carroll County's economy. To offset this decline, Carroll County decided to focus on an economic development strategy that not only retains existing businesses, but also encourages entrepreneurship and the development of new industries in the area.

Business Retention Strategies

Carroll County seeks to strengthen ties with existing companies to make the county more attractive for business retention and expansion. For example, in 2009, one of the Carroll County's largest employers, Mohawk was having problems with the infrastructure at its plant in the county. The Mohawk plant produces synthetic backing for carpet that requires constant high temperatures. The plant was experiencing short outages that disrupted the production process and reduced the productivity of the operation. Without any improvements to its power supply, the manufacturer had a hard time maintaining the plant profitable. The Carroll County Board of Supervisors and the Industrial Development Authority (IDA) intervened to help the company purchase an industrial power backup system. The county supported the business with a performance-based grant for 35 percent of the cost of the project. Carroll County also installed a natural gas line to help power the plant and lower its energy costs. The county uses this natural gas for many of its public buildings, which are located in Hillsville, the same city as the manufacturing plant. These steps ensured that the business would remain in Carroll County for the long term, and the county retained 150 manufacturing jobs in the middle of the economic recession.

- Population, 2013: 29,883
- County Board size: 6
- County Administrator

Crossroads Small Business Development Center

Carroll County focused on developing entrepreneurship programs to strengthen the economy and make the county more resilient to the business cycles of the core furniture and textiles manufacturing industries. To help reach these outcomes, Carroll County established a small business development strategy which led to the creation of the

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Carroll County, Va. presenting pumpkins from their Pumpkin Agricultural Cluster at the White House.

Crossroads Small Business Development Center in 2006 to serve small businesses with less than 50 employees. The Center is a part of the Crossroads Institute, a joint public-private partnership that focuses on many aspects of economic development including workforce training and community education. The Center assists potential and existing small business owners with support in business planning, financing and navigating laws and regulations for development. Since its establishment, the development center has helped 289 businesses and created or retained an estimated 1,200 jobs. The county played an active role in supporting and developing the Center, serving as its initial convening party. Today the county continues that support by acting as the Center's fiscal agent and provides financial processing and other administrative tasks.

The Pumpkin Agricultural Cluster

In addition to fostering entrepreneurship, Carroll County seeks creative ways to grow the economy through sales outside of the county, particularly agricultural products. In the early 1990s, county officials approached local leaders in the agricultural community to discuss how the county could help develop and broaden its market for local crops. In 1994, the county, together with the Southwest Virginia Farmer's Market, the Virginia Department of Agriculture and Consumer Services and the Virginia Cooperative Extension Services, organized a meeting with local farmers and representatives from large retail chains located in the mid-Atlantic region, including Wal-Mart and Kroger. As the retail chains representatives indicated they had been purchasing pumpkins primarily from the southwest United States, the group concluded that Carroll County, with its agricultural resources would be a prime location to serve as a pumpkin supplier to the mid-Atlantic region.

In response to the growers meeting, Carroll County Administrator, (former Local Extension Agent) Gary Larowe, was instrumental in the creation of the Virginia Pumpkin Growers Association. Since its beginnings, the members of the Virginia Pumpkin Growers Association have extended their pumpkin production to several thousand acres. In addition, Carroll County estimates that farmers have added \$15 million to the local economy through pumpkin sales outside of the county. County staff members continue to work with the Association and the county hosts the Association's webpage on the county's Web page.

As a small rural county, Carroll County has used a variety of initiatives to spur economic development. In response to the long term decline of some of the local manufacturing industries, Carroll County officials work to promote economic development by retaining existing industries, helping small businesses grow through the Crossroads Small Business Development Center and leverage their agricultural base by developing a pumpkin cluster. These efforts show that the county strives for a diverse economy that improves the well-being of its citizens and the resiliency of the county.