

CARTHAGE COMMUNITY ECONOMIC RECOVERY AND RESILIENCY INITIATIVE REPORT

Prepared by the NC Main Street & Rural Planning Center Staff



The NC Main Street & Rural Planning Center’s Rural Planning Program (RPP) has developed a Community Economic Recovery and Resiliency Initiative (CERRI) to help local governments recover and learn from the economic impacts of the coronavirus (COVID-19) pandemic to build local economies that are more resilient to future crises.



Figure 1 Tyson Jones Buggy Factory Mural

This initiative focuses on two areas of work—a general review of how to become more economically resilient as a community based on the pandemic experience and how to strengthen the small business sector that serves the basic needs of the community.

This Community Economic Recovery and Resiliency (CERRI) Report includes a general economic data review as well as an Economic Resilience Assessment to help Carthage understand the structure of its local economy. The report also factors in the town’s resilience. Increased focus is placed on small business assistance as one critical economic sector that was affected during the pandemic. In addition, surveys and interviews were used to vet data, learn more detail about impacts as well as issues, opportunities and visions for the future.

The work group then used this information to develop a work plan for the coming five years. Depending on the work plan generated or future implementation efforts beyond the five years, some follow-up work and additional analysis may be identified such as:

- working lists of targeted business opportunities
- skills and training needs especially to support critical business clusters
- priorities and red flags for future stability and resilience
- supplemental development efforts
- direction for or access to tools and resources to develop a more diverse and robust local economy
- outside assistance with business cluster analysis
- targeted market analysis and feasibility studies
- entrepreneurial ecosystem development practices
- talent and economic gardening programs



Figure 2 Flying For France McConnell Mural

Carthage was one of ten communities across the state to participate in the pilot round of the program. As part of the process, a work group was identified and created. The work group was representative of the community and included business owners, neighborhood/civic groups, and interested citizens. The role of the work group was to vet information and data presented as well as provided connections to the greater community to understand Carthage better and conditions revealed.

The work group reviewed the reports and developed the work plan for implementation. These will be sent to the town council for adoption. It is up to the work group to follow through the recommendations of the reports and complete the tasks outlined in the plan of work.

The work plan and the work group are not static. The current work group elected to focus on a plan of work for the next five years. As time passes, these tasks may be modified and the work group may evolve to include new and different members. This is necessary to allow for growth and to ensure the

best people are involved to complete the work. Also, many of the tasks identified in the work plan address issues or opportunities that others in the community have expertise to develop and promote. Members of the work group should serve as conveners for committees working on such tasks so that reports can be efficiently made to the work group on progress and needs.

Carthage Work Group Members

| | |
|---|---|
| Dan Bonillo – Carthage Town Council | Clarice Bonillo – Youth Representative |
| Jimmy Chalfinch – Carthage Mayor | Aaron Cooper – Cooper Ford, Owner |
| Roland Gilliam – Carthage Century Committee | RD Smith – Carthage Town Council Member |
| Tommy Phillips – Carthage Century Committee | Tony Paz -The Soup Company, Owner |
| Natalie Hawkins – Moore County Partners in Progress, Executive Director | Matthew Powers – First Bank, Area Executive |
| Patricia Jackson – Carthage Century Committee | Allan McKinnon – Retired Military |
| John Matthews – Matthews Land Surveying, Owner | Kathy Liles, Town Planner |
| Emily Yopp, Town Clerk | Tom Robinson, Town Manager |

Main Street and Rural Planning Center Staff were:

Grace Lawrence, Sandhills Community Economic Development Planner

Ann Bass, ARC Community Economic Development Planner, Western Region

Additional support was given by:

Triangle J Council of Government – Lindsay Whitson and Joseph Hoffheimer

Hometown Strong – Katherine Parker

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Executive Summary

The makeup of Moore County is interesting. It has successful and popular retirement areas in the southern part of the county and extremely rural areas with traditional small towns and less wealth in the northern part of the county. Carthage, incorporated in 1796, consists of 6.57 square miles. With a population of 2,775 people in 2020, Carthage is the county seat in Moore County and serves as a hub for the county and town governments. (US Census).

The economic vision crafted by the work group of leaders from the Town and County is to support small businesses, improve the historic character and livability of downtown, and to maintain the small-town character that allows everyone to know everyone in town.

The data reviewed raised questions like:

- Growth is coming quickly, where do we want the people to live and what do we want them to do for work in our community?
- Given the lower earnings rates in Carthage – how can we bring our earnings rate up to increase the household resilience that makes the community economy stronger?
- Can Carthage offer the culture, services, opportunities and lifestyles to attract and engage diverse and targeted new populations?
- Do we know the microbusinesses already working in our community that we might assist to grow and to attract other businesses to join them?

During this planning process, residential growth has mushroomed. 1839 units of housing have been approved in 9 greenfield sites all requiring water and limited sewer taps. In a survey of the work group, respondents showed that a population of 5,000 would be ideal for Carthage. Growth, however, is coming to Carthage and the town, along with this work group, need to plan for this to maintain the character of their small town. These new units, at an average of 2.5 (US) people would bring the population of Carthage to approximately 7400.

While approvals have been given for housing further into the agricultural areas, it must be pointed out that residential development costs the County far more in services than the existing agricultural and commercial uses do. Forest and agricultural landscapes also separate Carthage from Pinehurst which provides a setting for Carthage as in independent small town and instills the small town atmosphere that people treasure.

Moore County's Economic Development Commission, Partners in Progress, believes growth in Moore County will continue to move north towards Carthage, given existing development patterns. This means future demands on Carthage's utility infrastructure will likely increase. While Carthage is successfully addressing water and sewer capacity, how will Carthage deal with this anticipated growth and maintain its small town appeal? How can the county and surrounding communities plan for develop the corridor along US 15/501 to plan for future growth patterns.

To address the north/south economic disparities in income and wealth, Partners In Progress, Moore County and Carthage might choose to work together to fill value chain gaps, grow local small businesses, and consider targeting recruitment efforts for fast growing industries into the northern county. Pursuit of cluster or value chain development for key industries in the north, such as agriculture, is a critical starting point.

Economic Vision

The Carthage Work Group considered all the data and input from the surveys and interviews before crafting a long-term vision for Carthage. This vision was then broken into work areas that all build toward the vision.

All roads lead to growing historic Carthage, where chance meetings with your friends and neighbors happen in the bustling downtown, in front of colorful murals, and through outdoor recreation opportunities that reflect the cornerstone of the new “hometown” in the Sandhills. Entrepreneurs and small business owners ensure the high quality of life enjoyed by all long-time and new residents.

Work Plan Summary

The Carthage CERRI work group developed a plan of work to achieve the vision over a 5 to 10 year period. The work group has chosen to increase economic resilience by 1) growing and supporting the small business sector, including encouraging entrepreneurship and 2) strengthening the social networks to engage everyone in becoming more prosperous and creating a better/healthier place to live as a community. Working from the vision statement, these are the three primary areas of initial work:

1. **Historic and Placemaking Opportunities** – using local assets to make an attractive, unique community with small town convenience, friendly atmosphere and activity.
2. **Strengthen Community Social Connections** – making everyone feel at home and important to the Carthage community. Targeting young families and entrepreneurs of all ages and interests for recruitment with a range of housing options and quality of life improvements while also bringing new residents of satellite developments into the Carthage community to shop, play and invest.
3. **Entrepreneurship and Small Business Support** – Creating an entrepreneurial culture, encouraging small business ownership that can meet local needs, and maintaining a strong supportive small business ecosystem of services, networks, policies and programs.

Working with these opportunities, the work group brainstormed ideas around each area that could be developed as goals, objectives and tasks. There were many ideas and next steps captured. One major realization was that the work group itself needed to grow in order to provide the expertise and time needed to achieve the goals.

With that in mind, the work group decided to focus on developing a business guild or network for Carthage businesses. This will allow businesses to meet and develop relationships that can eventually support and grow Carthage businesses. As one member pointed out, the guild could present opportunities for businesses to learn from each other among other possibilities. This could also provide support for existing businesses, recruit and develop businesses to fill gaps, and support entrepreneurship in Carthage.

Economic Data

General Economic Snapshot

Analysis of various current data sources yields interesting findings about the Carthage and Moore County economy and its position in the regional economy. Rural communities like Carthage are difficult to examine as so much information is offered only at the County level. Some data in this report covers the Carthage zip code, Town of Carthage or using concentric rings measured from the Historic Courthouse in one, five and eight mile distances (Map 1).

Map 2 indicates where the city limits of Carthage (in red) are situated, compared to Carthage's zip code of 28327 (in blue) and Moore County's boundary (in black). To put this in perspective, Moore County has a land area of 697.84 square miles, Carthage Zip Code 28327 has an area of 190.44 square miles, and the city limits of Carthage include 5.9 square miles. The unit of government (town, zip code, or county) will be specified with each data variable.

Surveys and interviews were also conducted in the area to glean insight into specific challenges, opportunities and trends in Carthage. Surveys of the local government and local businesses were administered. The work group was also surveyed. Telephone interviews were carried out with community members identified by the work group.

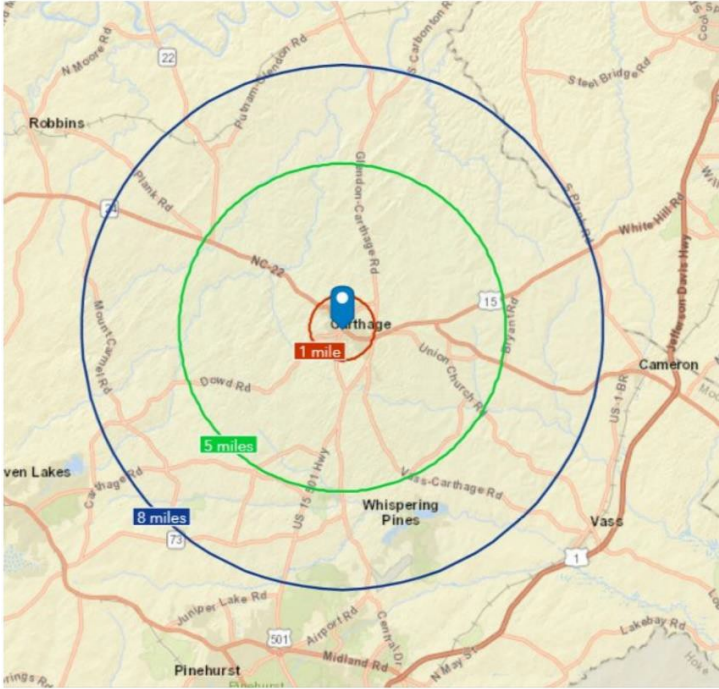
While there may be some variations in the numbers, data in this report is primarily used to show the general situations in Carthage. The survey results and interviews provide additional context for the report and recommendations. Work Group involvement is critical to ground-truthing the data and understanding what it means for the future.

Sources of Information:

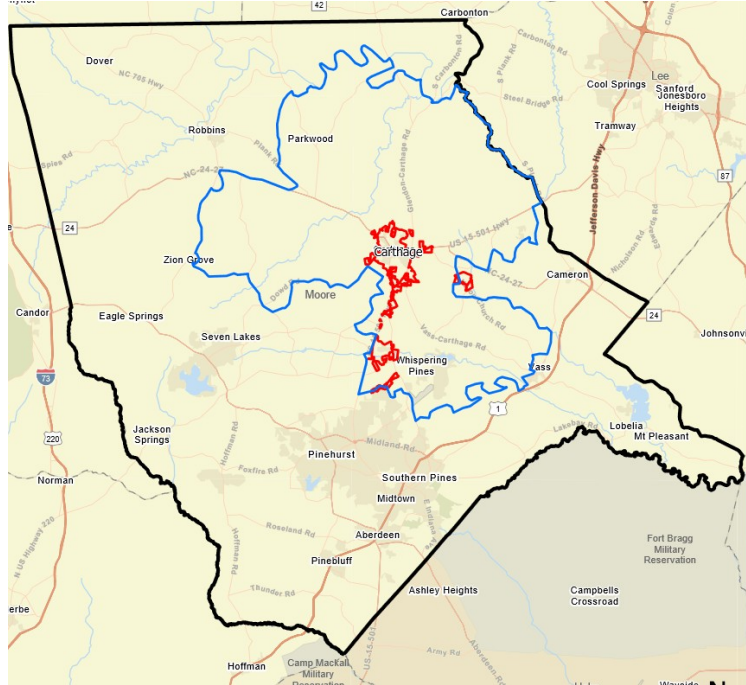
- ESRI Business Analyst- Demographics
www.esri.com
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www.economicmodeling.com
- US Census Quick Facts, NC, Moore County:
<https://www.census.gov/quickfacts/NC>
- St. Louis Federal Reserve Federal Reserve Economic Data:
<https://fred.stlouisfed.org/>
- US Census Carthage Profile 2020:
<https://data.census.gov/cedsci/profile?g=1600000US3710680>
- AccessNC:
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- EMSI Economic Modeling Data:
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- US Census On the Map:
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- ACS US Census 5Year Estimates:
<https://data.census.gov/cedsci/profile?g=1600000US3710680>
- US Census Quick Facts Moore County:
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Disclaimer: This report was prepared by the NC Main Street and Rural Planning Center Rural Planning Program (RRP). Information contained in this report is primarily EMSI and checked against sources above. Every effort is made to ensure the information contained within is accurate. However, no warranty is made about the accuracy of this report by the RRP or its sources.

Limitations of this data are to be expected, given RRP use of different data sources and each data source's collection and classification methods.



Map 1: One, Five and Eight Mile Radii Source: ESRI Business Analyst



Map 2 Boundaries: Moore County, Carthage Zip Code, Carthage Town Source: NC Commerce GIS

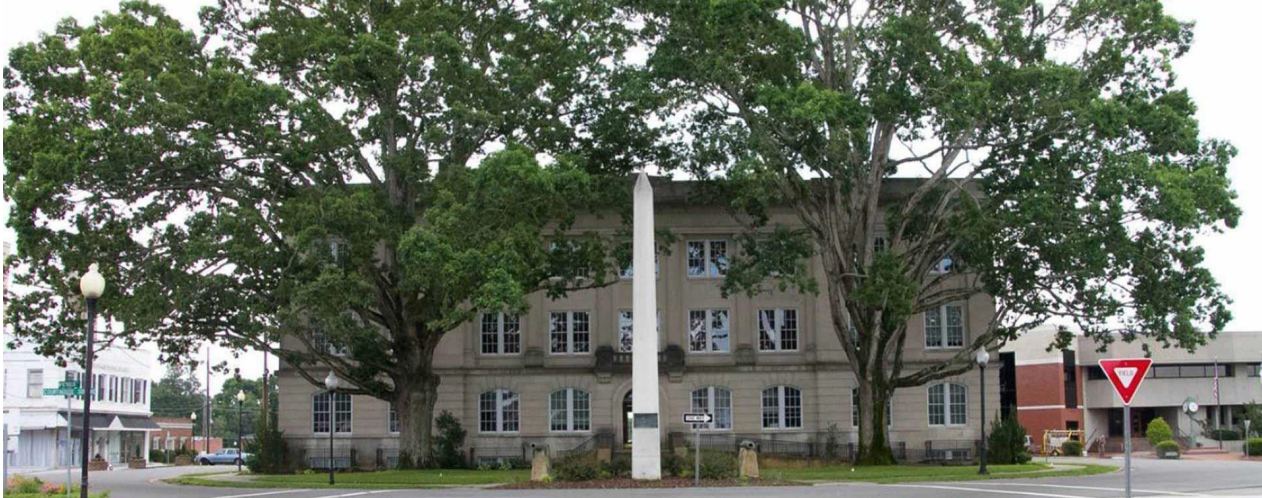


Figure 3 Historic Moore County Courthouse and McConnell Memorial Source: Moore County

Demographics for Carthage Zip Code 28327

As mentioned above, data for small towns can be difficult to secure. Data presented in this report is to present an overall view, or “snapshot”, of what is going on in Carthage and the surrounding area. The following data is for the Carthage zip code which extends beyond the town boundaries and includes the town of Whispering Pines. Other information in this report will declare if it is based on town, zip code, or county data.



Figure 4 Population/Employment/Earnings in Zip Code Source: EMSI Z1st Q 2021

Growth in population and jobs are projected! While Carthage had a population of 2,553 in 2019, growth in the zip code area will still affect the town. According to town staff, growth is anticipated to be more than the 1050 estimated in this graphic. How will Carthage deal with new residents in the area in the next five years? Even 1,048 more will require about 430 new homes. What will they do if

only 84 new jobs are created but the demand from just these new residents is possibly 300+? This may prompt us to ask, **where do we want the new people to live and what do we want or need them to do?**

Carthage zip code earnings per job are \$20,400 below the national average. Although some say that a lower cost of living should be considered, economists have said this only makes up for about ten percent of wage discrepancies. **How can we bring up our earnings rate?**

Population Characteristics

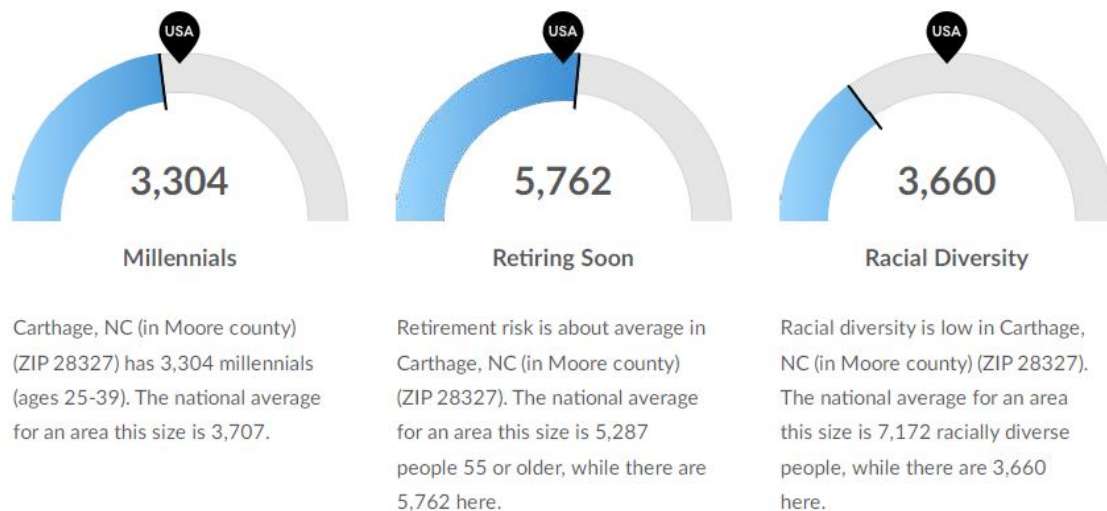


Figure 5 Population Characteristics Source Zip Code: EMSI 1st Q 2021

The Carthage zip code area is home to fewer Millennials than the US average. This section of the population is important for maintaining school populations, providing a steady workforce in the years to come, and leading the future of the community. Retirement is about average with 475 residents coming into retirement age in the area. Racial and ethnic diversity is only 51% of expected. Diversity is a key benchmark in developing a strong entrepreneurial ecosystem. Almost 10% of the population in Moore County are Veterans according to the US Census and crime rates in the County were lower than the state in 2019 as stated by the NC State Bureau of Investigation. **Can Carthage offer the culture, challenges, opportunities, services and lifestyles to support growth of these desirable populations?**

Seniors bring skills and financial resources. They proved to be more successful as entrepreneurs and small business owners during the COVID crisis--attributed to both the financial resources accumulated

and experience. Young retirees are a good part-time workforce and past work may also offer a pool of potential mentors for small businesses, organizations, and entrepreneurs.

Many seniors prefer a living situation that does not require much home maintenance or even a vehicle for access to basic goods and services. This “15-minute city” concept is useful for attracting both seniors and younger professionals. Carthage might consider if appropriate housing and walkability could be developed—especially in the downtown social core.

Incomes

The following analysis and data represent a detailed look at what drives Carthage and Moore County’s work force and economy. Data can be found for Carthage in the one, five and eight mile radii from the courthouse and is used below. Other information is for Moore County. For further analysis into the different types of data used, consult the source page at the beginning of this report.

| Carthage Comparison with State and National (2020) | | | |
|--|--------------------------|----------------|---------------|
| | Carthage (1 mile Radius) | North Carolina | United States |
| Population | 1,771 | 10,273,419 | 325,719,178 |
| Households | 386 | 4,031,256 | 123,158,887 |
| Median Household Income | \$50,679 | \$48,918 | \$56,124 |
| Average Household Income | \$63,983 | \$69,520 | \$80,675 |
| Per Capita Income | \$26,685 | \$26,779 | \$31,128 |

Table 2 Source: ESRI Business Analyst

Carthage has a median household income of \$50,679 within a one-mile radius of the courthouse. This is more than the state but less than federal median. The town’s average household income is \$63,983 which is less than the state and federal averages. The Per Capita Income is almost on par with North Carolina’s at \$26,685 but less than the United States.

Within a one mile radius of the courthouse in 2021, over 60% of Carthage residents lived on income between <\$15,000 to \$49,999 and 38.4% lived on \$50,000-200,000+. Income levels increased as the radii grew. At a five mile radius, 49% lived on income between <\$15,000 to \$49,000 and 50.7% lived on \$50,000 to \$200,000+. Eight miles from the courthouse, 40.3% lived on <\$15,000 to \$49,999 and 59.8% lived on \$50,000 to \$200,000+. It could be interpreted that there are more in fixed incomes within the 1 mile radius from the courthouse which could be considered as housing and businesses are developed – especially those with an eye towards senior citizen services.

Workforce

The workforce is a critical piece of economic development. An understanding of the workforce in Carthage can shape the direction the town can take to make it attractive to live and work. Development of local talent of all types will ensure the town has the capacity to provide what businesses need most—qualified staff. Workforce data in this section is found at the county level and town level. It should be used as a guideline for developing workforce in Carthage.

An analysis of Moore County’s labor force for May 2021 indicates that there are 40,896 people identified as the civilian labor force (Table 3). In May 2021, there was a participation rate of only **39.5%** in the county, compared to North Carolina’s labor force participation rate of **59.2%** and a national participation rate of **61.6%** over the same time period. This low participation rate could partially be tied to the high number of retirees in the county which has 24% of those 65 and older in 2019 and rising. That is likely not the only explanation.

| Moore County Labor Force Breakdown (May 2021) | |
|---|------------|
| Level | Population |
| Population | 103,356 |
| Civilian Labor Force | 40,896 |
| Employed | 39,171 |
| Unemployed | 1,725 |

Table 3 Source: Federal Reserve of St. Louis

Table 4 outlines the breakdown of forecasted unemployment with the various age groups within a 1-mile radius of the historic courthouse in Carthage. The prime working ages – 16+ to 64 – had greater labor force participation rate than the County’s participation rate. Those same working ages had a 14.8% unemployment rate combined. Clearly, Carthage has a strong workforce that is able to find employment.

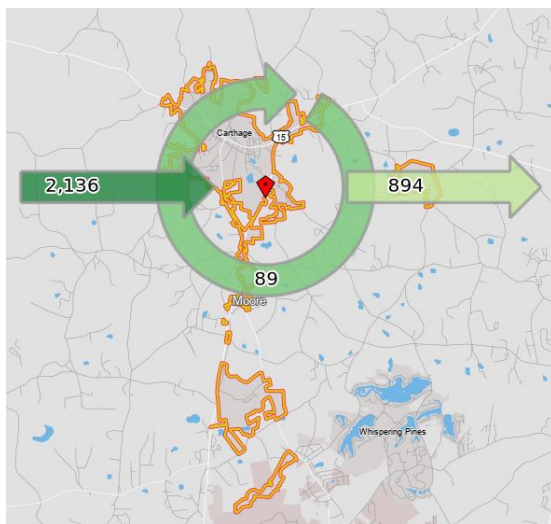
| Age Group | Population | Employed | Unemployed | Unemployment Rate | Labor Force Participation Rate | Employment-Population Ratio |
|-----------|------------|----------|------------|-------------------|--------------------------------|-----------------------------|
| 16+ | 16,961 | 8,547 | 444 | 4.9% | 53.0% | 50 |
| 16-24 | 1,943 | 1,072 | 80 | 6.9% | 59.3% | 55 |
| 25-54 | 7,276 | 4,943 | 276 | 5.3% | 71.7% | 68 |
| 55-64 | 3,084 | 1,881 | 47 | 2.4% | 62.5% | 61 |
| 65+ | 4,658 | 651 | 41 | 5.9% | 14.9% | 14 |

Table 4 2021 Carthage Labor Force 1 Mile Radius Source: ESRI Business Analyst

Carthage Employment-Shed

The Main Street and Rural Planning Center encourages asset-based economic development for long term stability. A critical asset is our local talent! The wages they earn are a key component of economic health for the community. If workers leave to work elsewhere it is possible and even probable that they will buy gas, groceries and pick up lunch near work. Those monies are then lost to Carthage and local merchants. It is economic “leakage”.

The time spent commuting is also an economic loss. That time might be better spent volunteering in the community, developing a business for second income, enjoying healthy recreation, or spending time with family and neighbors. Figure 7 below shows that over 2,100 people came into Carthage to work in 2018 and almost 900 left the Town to go to work in 2018. Only 89 people lived and worked in Town. This data is for the town boundaries.



Inflow/Outflow Job Counts (All Jobs)

| | 2018 | |
|---|-------|--------|
| | Count | Share |
| Employed in the Selection Area | 2,225 | 100.0% |
| Employed in the Selection Area but Living Outside | 2,136 | 96.0% |
| Employed and Living in the Selection Area | 89 | 4.0% |
| Living in the Selection Area | 983 | 100.0% |
| Living in the Selection Area but Employed Outside | 894 | 90.9% |
| Living and Employed in the Selection Area | 89 | 9.1% |

Figure 7 Carthage Inflow/Outflow Source: US Census On The Map 2018

The table below lists the numbers of people from surrounding communities that came into Carthage to work as well as those from Carthage who drove to other places to work in 2018. This begins to define a commuter-shed or workforce region around Carthage. There is a talent exchange occurring! It might be interesting to know what kind of jobs Carthage residents leave the area for and whether such skills might also be needed in Carthage and immediate surrounds.

| Town of Carthage Employment-shed | | | | | |
|---|------------|----------|----------------------------------|--------------|----------|
| Carthage Residents Work in: | # | % | Carthage Workers Live in: | # | % |
| Pinehurst | 133 | 13.5 | Pinehurst | 120 | 5.4 |
| Southern Pines | 119 | 12.1 | Southern Pines | 120 | 5.4 |
| Carthage | 89 | 9.1 | Carthage | 89 | 4 |
| Sanford | 58 | 5.9 | Aberdeen | 62 | 2.8 |
| Aberdeen | 32 | 3.3 | Seven Lakes | 57 | 2.6 |
| Charlotte | 27 | 2.7 | Whispering Pines | 54 | 2.4 |
| Fayetteville | 27 | 2.7 | Sanford | 47 | 2.1 |
| Seven Lakes | 23 | 2.3 | Fayetteville | 34 | 1.5 |
| Raleigh | 20 | 2 | Winston Salem | 23 | 1 |
| Greensboro | 10 | 1 | Robbins | 22 | 1 |
| Places in between | 445 | 45.3 | Places in between | 1597 | 71.8 |
| TOTAL | 983 | | | 2,225 | |

Table 4 Carthage Employment-Shed Source: US Census On the Map 2018

Education

Educational attainment is highly correlated with measures of regional economic prosperity. Rural counties with the lowest levels of educational attainment face higher poverty, child poverty, unemployment, and population loss than other rural counties. In addition to higher poverty rates, rural counties with low levels of educational attainment tend to have high unemployment rates. As Table 5 indicates, this is not necessarily the situation in Carthage.

In 2019, education attainment for Carthage’s residents with a bachelor’s degree or higher (24.3%) is less than the state (30.5%) and national (32.2%) rates. “Low education” counties are usually defined as those where 20 percent or more of adults 25 to 64 years old do not have a high school diploma or equivalent. This is not entirely the case in Carthage where 33.1% of the population has a high school diploma or equivalent (Table 5).

| Carthage Educational Attainment 2019 | | |
|---|------------------------|-------------------|
| | % of Population | Population |
| Less Than 9th Grade | 1.7% | 29 |
| 9th Grade to 12th Grade | 5.8% | 101 |
| High School Diploma (includes equivalency) | 33.1% | 508 |
| Some College, no degree | 24.6% | 430 |
| Associate's Degree | 10.6% | 185 |
| Bachelor's Degree | 16.8% | 294 |
| Graduate Degree and Higher | 7.5% | 132 |

Table 5 Carthage Education Attainment Source: US Census ACS 5-Year Estimates Data Profile, <https://data.census.gov/cedsci/profile?g=1600000US3710680>

Sandhills Community College training programs:

- University Studies
- Landscape Gardening
- Management and Business Technologies
- Culinary & Pastry Arts
- Cosmetology
- Therapeutic Massage
- Nursing
- Automotive and Aviation
- Early Childhood Education,
- Basic Law Enforcement Training

Sandhills Community College is based in Southern Pines but serves Moore and Hoke Counties. Four state universities, Fayetteville State, UNC Chapel Hill, NC State University, and UNC Pembroke are approximately an hour's drive from Carthage. Private colleges and universities within an hour's drive include Meredith College, William Peace University, St. Andrews University, and Methodist University. There are opportunities to take advantage of education and training offered at these institutions to advance skills needed for jobs in the region.

The Small Business Center is located on the Sandhills Community College campus in Pinehurst. They serve new and growing businesses with courses, mentoring and business planning services.

Entrepreneurship skills and the existence of microbusinesses in every community provide opportunities for new job creation and business growth. Microbusinesses are those that employ 1-9 employees according to the US Small Business Administration. Finding and working with these often-hidden businesses can be a way to fill downtown commercial spaces and, by making them visible, encourage others to develop additional streams of income.

Do we know the microbusinesses in Carthage and what they produce?

The Moore County Chamber of Commerce also has staff trained in development of the Entrepreneurial Mindset – Jana Volitis, Director of Operations. This is an asset for entrepreneurs and staff training for any type of employer—local government to private enterprise--as well as career seekers.

Work in Carthage

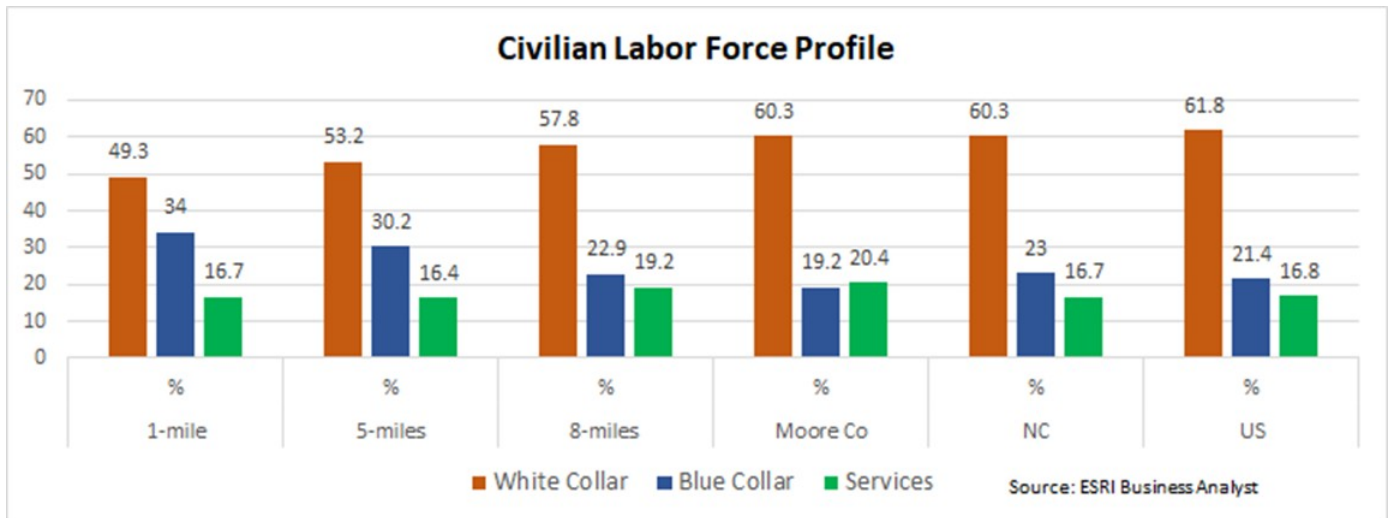


Figure 9 Source: ESRI Business Analyst

As shown above, there are more blue collar workers in Carthage within one, five and eight miles of the Courthouse than in North Carolina or the nation. The state and the nation exceed Carthage in the number of white collar labor force. Service sector jobs are on par with both state and national levels. Further inspection of the data indicates that a majority of the blue collar jobs revolve around construction, resource extraction and production. Carthage can use this information to target specific businesses and industries as well as develop a qualified work force to meet those business needs (Figure 9).

In Figure 10 below, the construction, resource extraction (including agriculture/forestry) and production jobs are at or just below Carthage zip code's average earnings. The businesses in these fields might be targeted for discussions on potential productivity and income increases to enable greater worker compensation as well as other workforce development and expansion support.

Top Industry Earnings



Figure 10 Industry Earnings 2020 Source: EMSI 1st Q 2021 Carthage Zip Code

Largest Industries

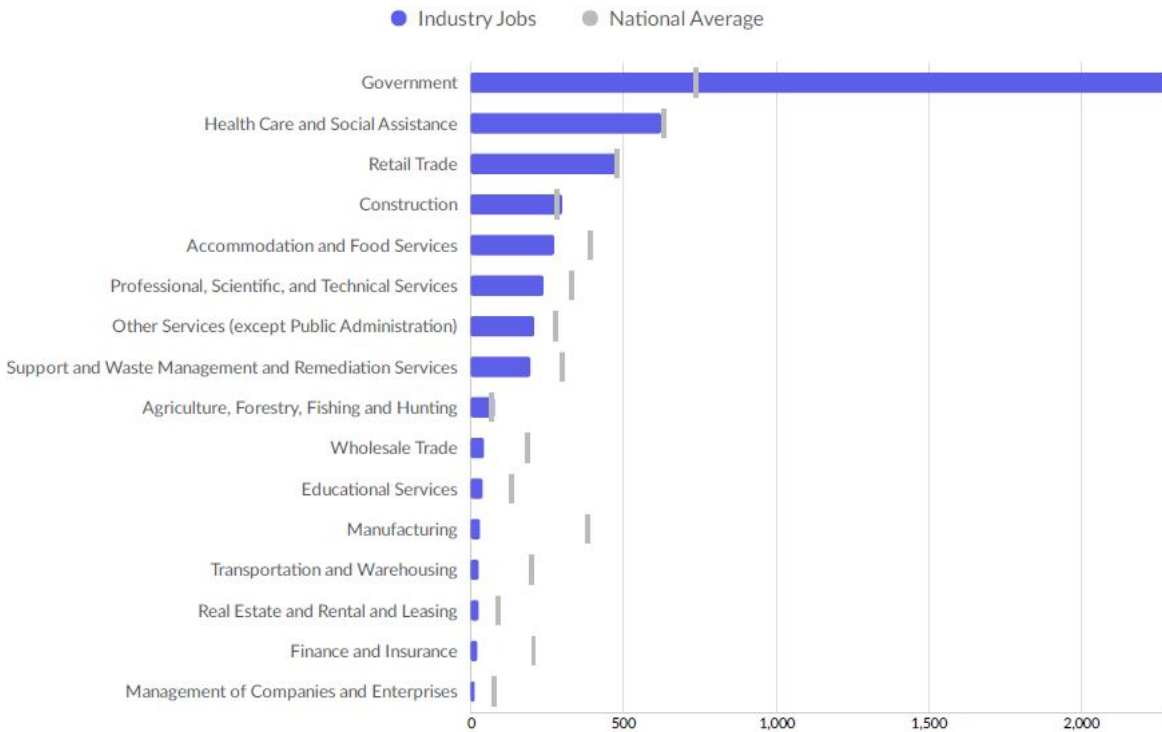


Figure 11 Largest Industries Source: EMSI 1Q 2021 Carthage Zip Code

The blue bars in Figure 11 above show the number of jobs in the largest industries in the Carthage zip code. The gray lines in this chart represent the expected number of jobs per industry in an average US community the size of Carthage. There are over 2,278 Government sector jobs in Carthage while the US average is 732. This is the only industry where we see more jobs in Carthage than expected. Health Care & Assistance, Retail Trade, Construction and Agriculture are close to national averages.

Manufacturing, Finance & Insurance, Transportation & Warehousing and Wholesale Trade all show gaps that local businesses might fill to create a more balanced and diverse economy. ***The space between the blue bar and gray line may represent new business opportunities.***

Largest Employers in Carthage

The table below of the largest employers in Carthage shows a variety of businesses. Resource extraction and production jobs make up a large number of businesses in the town. Cluster businesses could be developed around these existing businesses. Clusters are businesses in the same industry, serving similar markets. These businesses may share suppliers, workforce, and tend to support each

other, especially by creating some economies of scale for sharing services and supply chains, developing a deeper talent pool, encouraging innovation and cross pollination of ideas and best practices.

| Company Name | Business Description | Employees |
|-----------------------------|------------------------------|-----------|
| Backyard Computers | Computers-Service & Repair | 130 |
| Barbara's Hair Team | Beauty Salons | 103 |
| Bear Claw Transport LLC | Trucking | 100 |
| Bethlehem Baptist Church | Churches | 100 |
| Bibey David Ministries Inc | Churches | 85 |
| Bibey LLC | Nonclassified Establishments | 75 |
| Bird Lady Farms LLC | Farms | 68 |
| Black Rock Vineyard | Wineries (mfrs) | 64 |
| Blackwelder Tank Svc | Septic Tanks-Manufacturers | 60 |
| Blake Painting & Decorating | Painters | 55 |
| Blue Arthur M Law Office | Attorneys | 53 |
| Blue Pest Control Svc LLC | Pest Control | 50 |

Table 6 Town of Carthage Largest Employers Source: Data Axle 2021

Agriculture and Forestry in Carthage and the Surrounding Area

Agriculture and forestry are thriving industries in Moore County. There were 89,375 acres in farm production in 2017 which was 20% of total acreage in the County reported in the NC Department of Agriculture’s Ag Statistics. In 2019, agricultural production brought \$147,653,971 in cash receipts. The average size of a farm in the County was 122 acres and the average age of a farmer was 57.9 in 2017 and has undoubtedly increased since. The rampant growth that Moore County is experiencing is also leading to farm loss. This presents challenges to the future of agriculture – who will continue with farming and what will that look like? It also presents a challenge to the small town character of Carthage which is currently surrounded by agriculture and timber.

There are possibilities. Several military retirees have gone into agriculture with small farms and have a keen interest in sustainability according to Moore County Cooperative Extension. Since military retirees were identified as an audience to attract to Carthage, the Town could position itself, through partnerships, as a place to find small farms operated in sustainable methods.

The pandemic brought an increased interest in local foods. The regional Sandhills Farm to Table experienced an increase in subscriptions due to the pandemic. Many area farmers do sell directly to restaurants, at farm stands, and online. There was even a distillery opening in the County that sought

out local corn to make its hooch. Farmers are often encouraged to diversify production so that impacts from price swings are cushioned.

A buy local campaign can raise the interest in local food and could push some producers to diversify by growing produce to sell locally. We might also examine the diversity of a diet from local sources—gaps and some value-added product ideas may represent business opportunities. It was advised that the Pinehurst and Southern Pines farmers markets make it too difficult financially for farmers to come to a Carthage farmers market – the demand isn't there in Carthage. This could change in time and a close partnership with agricultural entities can help the town monitor this for a potential farmers market or increased farm to institution activity. High quality, fresh, local food is critical to developing the culture sought by young families, investing retirees, and entrepreneurs.

In 2019, Moore County had 316,848 acres in timberland. Timber prices are determined by prices paid to the timber landowner, called stumpage, and prices paid to timber buyers once the timber is delivered to the mills, called delivered. According to the NCSU 2019 Timber Income report, stumpage for Moore County was \$15,385,646 and delivered was \$27,853,069. The County was ranked 9th in the state for delivered incomes. This does not include the ancillary impacts of loggers, truckers, consulting foresters and tree planters.

Moore County is also known for horses, fox hunting and other equine pursuits. Over \$2billion is added annually by the equine field in North Carolina according to NCSU's College of Life Sciences. In a phone interview, Moore County Cooperative Extension reported there was interest to develop a livestock arena in the area. It would allow horse shows, animal husbandry, and other activities to grow more interest in agriculture. Carthage could be a good fit for this type of arena with its location by highways and in the center of the county. There are other business opportunities that could be developed around the equine industry and Carthage could be the hub.

It is clear that agriculture and forestry have a great economic impact in the County. How can Carthage tap into that? Strong partnerships with area agencies and groups can allow the Town and these entities to pursue these opportunities. The leverage of time and expertise can also be used with these partnerships.

Fort Bragg and Defense Industry

Ft. Bragg is approximately 30 miles from Carthage which makes it attractive to service personnel. Military retirees who enjoy the climate, comradery of others still on the base, and perhaps the golf courses of Pinehurst may choose to locate in the Carthage community. As they transition to civilian life, one of their strengths is the knowledge of military needs. This presents opportunities to develop the industry related to defense and to military families that seek a small-town life.

According to the 2019 NC Defense Supply Chain Analysis, created by the NC Department of Military Affairs, NC Department of Commerce, NC State University and others, the defense industry can and should grow in the state. Carthage is located in the Research Triangle Area that was studied in this analysis. The largest concentration of industry contracts with the Department of Defense was construction for the Research Triangle Area.

The report, however, stressed the need to expand cluster industries. These cluster industries are businesses that are closely related to existing businesses and have various links across a region. Top clusters awards in RTP were in Business Services, Education and Knowledge Creation, and Local Real Estate, Construction and Development.

Figure 20 below outlines the Product Service Code (PSC) categories that were tied to the Department of Defense awards. Support services such as professional, administrative and management was the top PSC followed by Education and then Construction of Structures/Facilities. Carthage and Partners in Progress could explore these clusters and categories for business development

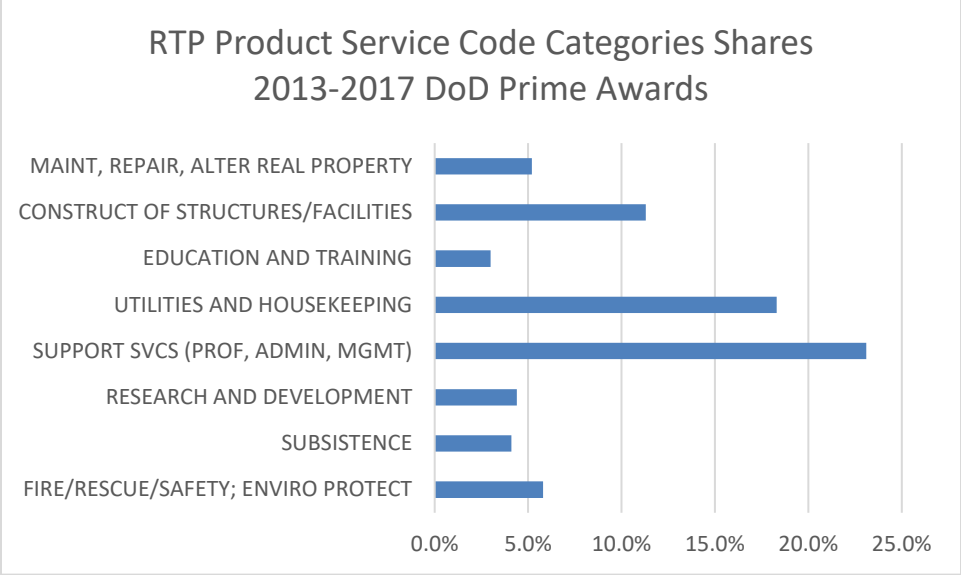


Figure 20 PSC Categories Source: NC Defense Supply Chain Analysis

Economic Resilience Assessment

The purpose of CERRI is to assist communities in defining a direction toward an economy able to withstand serious disruptions as experienced during the COVID crisis. It was designed and intended to be a community conversation with engagement from all groups and sectors of the community to identify and implement concepts, policies and programs building that economic resilience over time. This report uses data to offer insight from the perspective of economic resilience. The data is not intended for scrutiny as numbers but instead as illustrating conditions.

We are still in the grip of the COVID 19 pandemic and do not know the final economic toll that will be taken on our rural communities. Part of the recovery process is to define our vulnerabilities and consciously grow back our economies in a way that increases our ability to weather future disruptions. We call that resilience. Community Economic Resilience—for our purposes—is going to be examined using these basic properties:

- Economic Diversity – desire to have a range of goods and services produced, a range of business sizes so that no one failure or change can take down the economy, a range of occupations represented in the community, and a diversity of skills that might pivot to serve other applications in an emergency
- Local Economic Control – developing a level of self-reliance to avoid being held captive by decisions and actions beyond our control or influence, especially for the most crucial goods and services, value and supply chains
- Local Wealth and Investment for Betterment of the Community – making families more financially stable, increasing available resources in order to keep them longer and apply these resources toward improvement of our own community

While reviewing this data, remember to consider that it is offered from the perspective of minimizing impacts from future economic disruptions. The concepts are a bit different from usual community improvement or economic development plans. You are asked to note concepts that need further consideration by the work group—as part of this process--or by another group, in the near future, with knowledge of these issues.

Economic Diversity for Resilience

Our goal for Carthage is to have a range or diversity of goods and services produced or offered for sale by a mix of business sizes so that no one business or industry failure or disruption can seriously impact the economy or cause the local workers to be unable to be absorbed by other businesses. The town

also needs to host a range of occupations that represents a diversity of skills that might pivot to serve in other applications in an emergency or economic disruption.

Business and Industry Diversity

Business Size



**Business Data by DatabaseUSA.com is third-party data provided by Emsi to its customers as a convenience, and Emsi does not endorse or warrant its accuracy or consistency with other published Emsi data. In most cases, the Business Count will not match total companies with profiles on the summary tab.*

Figure 12 Carthage Zip Code Business Size Source: EMSI 1st Q 2021

The Carthage zip code area has an excellent mix of businesses with 280 businesses (70.4%) having fewer than ten employees. In an emergency, the impact of losing a business is not as great as dependence on only one or two businesses for local incomes. A diversity of sectors in the largest employers encourages stability. The Advisory Committee reported minimal disruption during the COVID crisis. Other industries more exposed to supply chains that span oceans are still seeing difficulties in receiving parts, products or raw materials from elsewhere.

There should be more serious consideration about whether the necessary food, water and basic supplies are reliably and adequately provided within the community. Addressing any supply chain issues could lessen the impact of future disruptions, create new business opportunities, and increase economic resilience.

Top Growing Industries

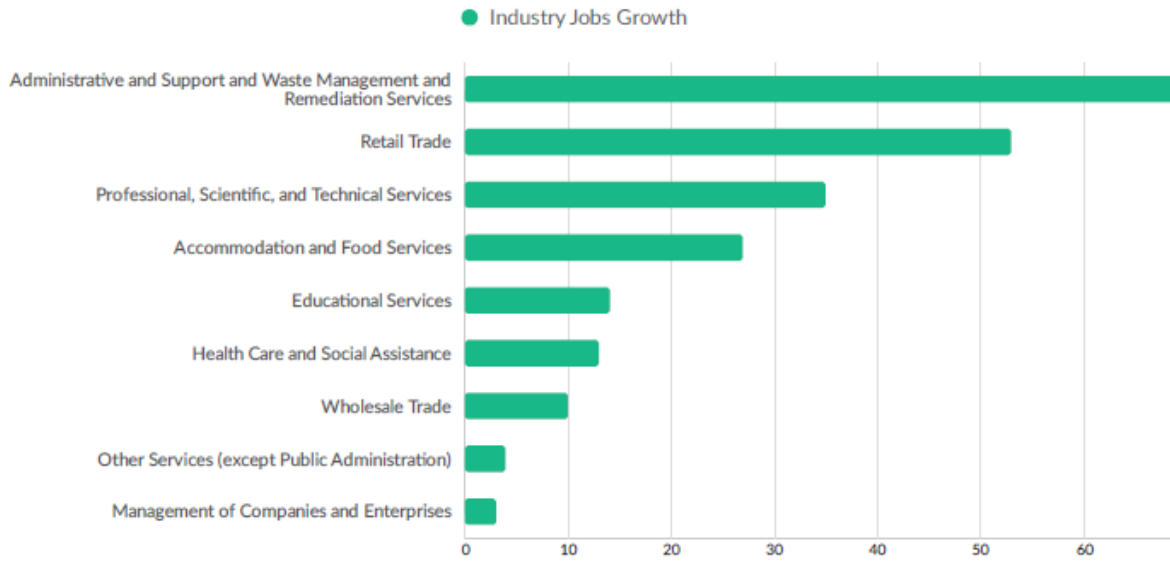


Figure 13 Top Growing Industries Source: EMSI 1Q 2021 Carthage Zip Code

Figure 13 shows the year 2020 over year 2019 number of job postings by industry in the Carthage zip code area. This does not represent any kind of trend by an entire industry but, instead, are job listings in existing key businesses in the community. Because it is year over year data, we must analyze using local knowledge regarding whether the growth was preceded by lay-offs, represents a change in job skills, new business opening, or if it is indeed straight growth.

One way to learn how or where to grow an economy is to examine gaps within clusters of related business activity that may identify business opportunities in missing goods and services. It is ideal to have a variety of business clusters in a range of industries within the community (Figure 14).

| Carthage Zip Code Area Top Business Clusters | | |
|---|---|--------|
| Cluster | Industry | Jobs # |
| Business Services | | |
| | Admin Management + General Management Consulting | 87 |
| | Corporate, Subsidiary + Regional Managing Offices | 15 |
| Local Government Services | | |
| | Local Government (<i>excluding Ed + Hosp</i>) | 322 |
| Distribution + Electronic Commerce | | |
| | Sporting & Recreational Goods, Supplies, Merchant Wholesalers | 56 |
| | Farm Supplies Merchant | 31 |
| Local Food & Beverage Processing and Distribution | | |
| | Supermarkets + other Grocery (<i>exc Convenience</i>) | 181 |
| | Baked Goods Stores | 16 |
| Local Household Goods & Services | | |
| | Hardware Stores | 28 |
| | Outdoor Power Equipment Stores | 13 |
| | Nursery, Garden Center & Farm Supply Stores | 12 |
| | Landscaping Services | 68 |
| Local Education and Training | | |
| | Elementary & Secondary Schools | 24 |
| | Elementary & Secondary Schools (<i>Local Government</i>) | 1,728 |
| State Government Services | | |
| | State Government (<i>excluding Education + Hospitals</i>) | 62 |

Figure 14 Carthage Zip Code Business Clusters Source: EMSI Q1 2021 Data Set

It is possible, if chosen as a priority issue, to delve more deeply into the business clusters and examine gaps in value and supply chains for potential new business opportunities and to strengthen those existing. This is one method to grow the local economy by being aware that the potential new businesses will already have local clients. It has been referred to as “Economic Gardening”.

Carthage might start this process by convening the willing businesses in each cluster to talk about what they need or wish someone local would do to help their business flourish and grow. ***How is Carthage working now to strengthen these business-to-business connections thereby increasing income opportunities, creating economies of scale for workforce training, developing a larger talent pool, and reducing vulnerability to service disruption from outside forces?*** Business to business transactions greatly increase the economic multiplier and resilience.

Most of the economic development data is concerned with the number of jobs in businesses—FTEs or full-time-equivalents. Our traditional family-income model is one full-time job provides the entire family income, which used to be per family, now per adult. That income would be adequate to provide a comfortable middle-class lifestyle. There are technological, generational and cultural forces, however, that make this model less achievable, less sustainable or perhaps even less desirable. Businesses do not necessarily now exist for the duration of a working lifetime. Worker and business interests change, technology improves, and skill demands evolve. The work group might offer financial literacy and planning services at community centers and churches.

Talent and Occupational Diversity

A resilient community needs residents with a wide variety of skills, interests and personality types. We need people who enjoy working with ideas, people, materials, systems, equipment, animals, and so forth. We also need leaders, teachers, healers, laborers, innovators, communicators and chemists as well as those with finger dexterity and others with spatial understanding. Within the community each resident needs to be engaged, nurtured, challenged and appreciated. COVID challenged many to assume leadership, learn new skills, solve problems, and think more creatively. These are the skills of entrepreneurs. Were they adequately represented in Carthage’s responses to the pandemic?

Civilian Labor Force Profile

Carthage concentric rings centered on 102 Monroe Street

Source: ESRI 2021

| | 1-mile | | 5-mile | | 8-mile | | Moore Co | NC | US |
|---------------------|------------|------|------------|------|------------|------|----------|------|------|
| Occupation Category | # Employed | % | # Employed | % | # Employed | % | % | % | % |
| White Collar | 307 | 49.3 | 1,615 | 53.2 | 4,573 | 57.8 | 60.3 | 60.3 | 61.8 |
| Blue Collar | 212 | 34 | 916 | 30.2 | 1,808 | 22.9 | 19.2 | 23 | 21.4 |
| Services | 104 | 16.7 | 498 | 16.4 | 1,521 | 19.2 | 20.4 | 16.7 | 16.8 |

As noted earlier the Carthage core and its five-mile radius have a higher percentage of blue collar occupations than Moore County, the state and national averages. This may be a surprise considering the perceived dominance of education and the practice of law in the community. ESRI considers Blue Collar occupations to be Farming/Fishing/Forestry, Construction/Extraction, Installation/Maintenance/Repair, Production and Transportation/Material Moving.

EMSI – Economic Modelling Strategies – has given Moore County an **Occupational Diversity rating of only 7.3 %**, which ranks the County 2914 out of 3142 Counties in the US. This means employment is not evenly distributed across the 14 major occupational categories and may signal less structural stability in the economy.

Largest Occupations

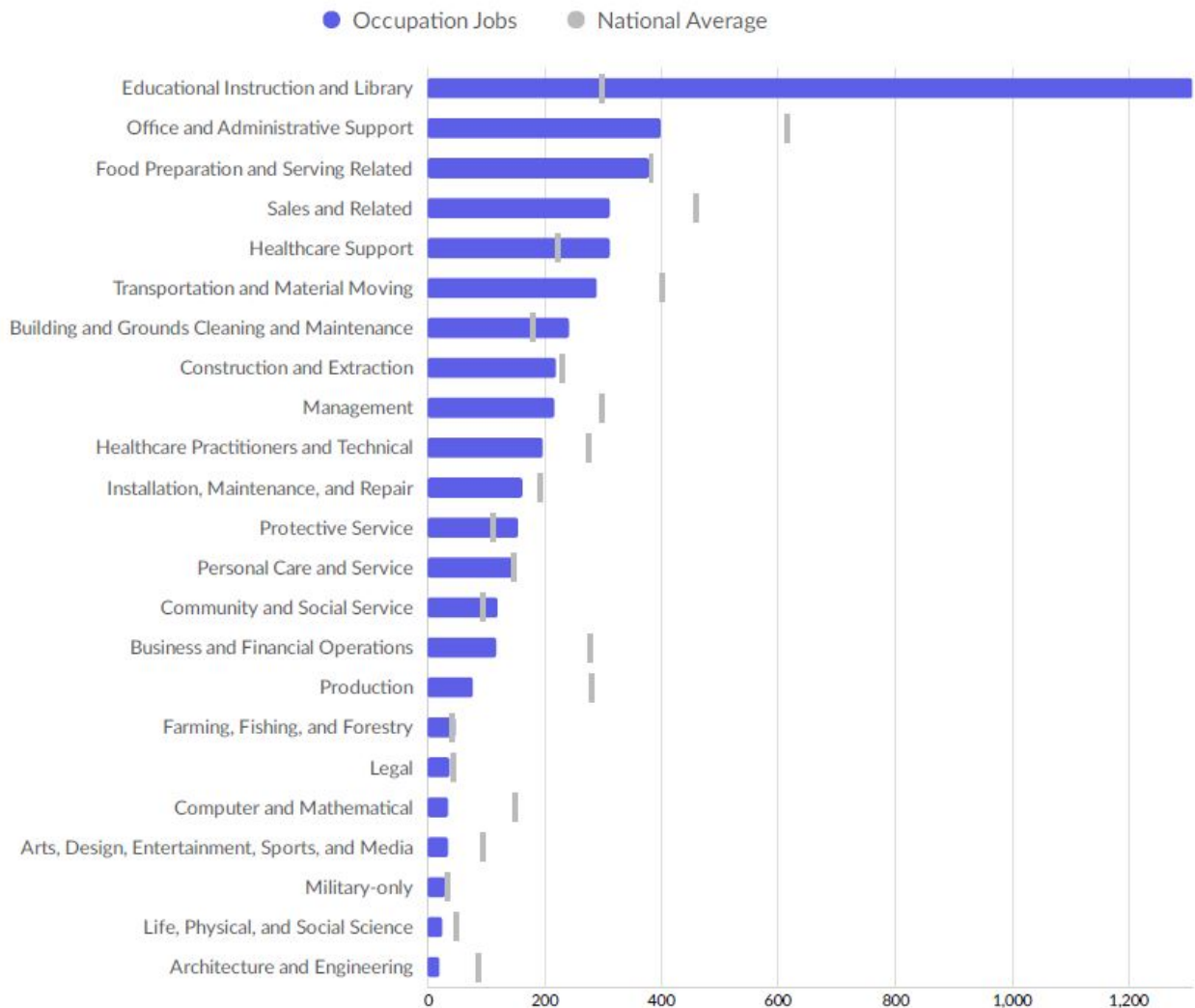


Figure 15 Largest Occupations Carthage Zip Code Source: EMSI 1Q 2021

The chart above allows us to compare the occupations in the Carthage zip code with the US average community. The blue bars show the number of jobs in this occupation in Carthage while the gray line is the US anticipated number of jobs in an occupation within a community of similar population. This clearly shows the dominance of Educational Instruction and Library service in Carthage. **Gaps between the gray lines and blue bars may represent new occupational opportunities or skill sets needed in the community.**

In 2020, there were 1,310 jobs in Educational Instruction and Library compared to a national expectation of only 293. The number of jobs has, however, dropped by 71 in the last five years. Healthcare Support, Building & Grounds Cleaning and Maintenance, Protective Service and Community and Social Service are the only other occupations that exceed the national average. The largest gaps occur in Office & Administrative Support (213 jobs), Production (198 jobs), Business & Financial

Operations (156 jobs), Sales & Related (144 jobs), Computer and Mathematical (113 jobs) and Transportation & Material Moving (109 jobs).

In the following data sets, we add in the growth and earnings considerations for the top occupations.

| Top Occupation Earnings | | <i>Source: EMSI Q1 2021</i> | |
|---|-----------|-----------------------------|-----------------------------|
| Occupation | 2020 Jobs | % Change | 2019 Median Hourly Earnings |
| Management | 217 | 13% | \$36.22 |
| Architecture and Engineering | 20 | (10%) | \$32.02 |
| Computer and Mathematical | 34 | 29% | \$31.10 |
| Life, Physical, and Social Science | 24 | (13%) | \$30.21 |
| Business and Financial Operations | 117 | 25% | \$29.92 |
| Healthcare Practitioners and Technical | 198 | 19% | \$27.42 |
| Legal | 37 | 5% | \$23.50 |
| Community and Social Service | 121 | 34% | \$22.84 |
| Educational Instruction and Library | 1,310 | (5%) | \$20.24 |
| Installation, Maintenance, and Repair | 162 | (3%) | \$19.07 |
| Protective Service | 155 | 32% | \$18.16 |
| Arts, Design, Entertainment, Sports & Media | 34 | 10% | \$18.06 |
| Office and Administrative Support | 398 | 9% | \$17.45 |
| Construction and Extraction | 219 | 3% | \$16.78 |
| Military-only | 29 | (0%) | \$16.24 |
| Production | 78 | 5% | \$15.08 |
| Farming, Fishing, and Forestry | 47 | (12%) | \$14.42 |
| Transportation and Material Moving | 290 | (16%) | \$14.22 |
| Building and Grounds Cleaning & Maintenance | 242 | 5% | \$11.66 |
| Personal Care and Service | 147 | 8% | \$11.27 |

| | | | |
|--------------------------------------|-----|-------|---------|
| Healthcare Support | 312 | (11%) | \$11.22 |
| Sales and Related | 312 | 16% | \$10.67 |
| Food Preparation and Serving Related | 379 | 3% | \$10.04 |

Table 8 Top Occupation Earnings Carthage Zip Code Source: EMSI 1Q 2021

There is a caveat to any direct analysis of the percentages of growth or reduction in Table 8 above. 2020 was not a normal year! We expect to see some job gains as businesses get back to more normal, or a new normal, operation. Also, these numbers reflect what happened within the existing businesses listed in each of these industries and should not be taken as any prediction of future growth in the greater industry.

Top Growing Occupations

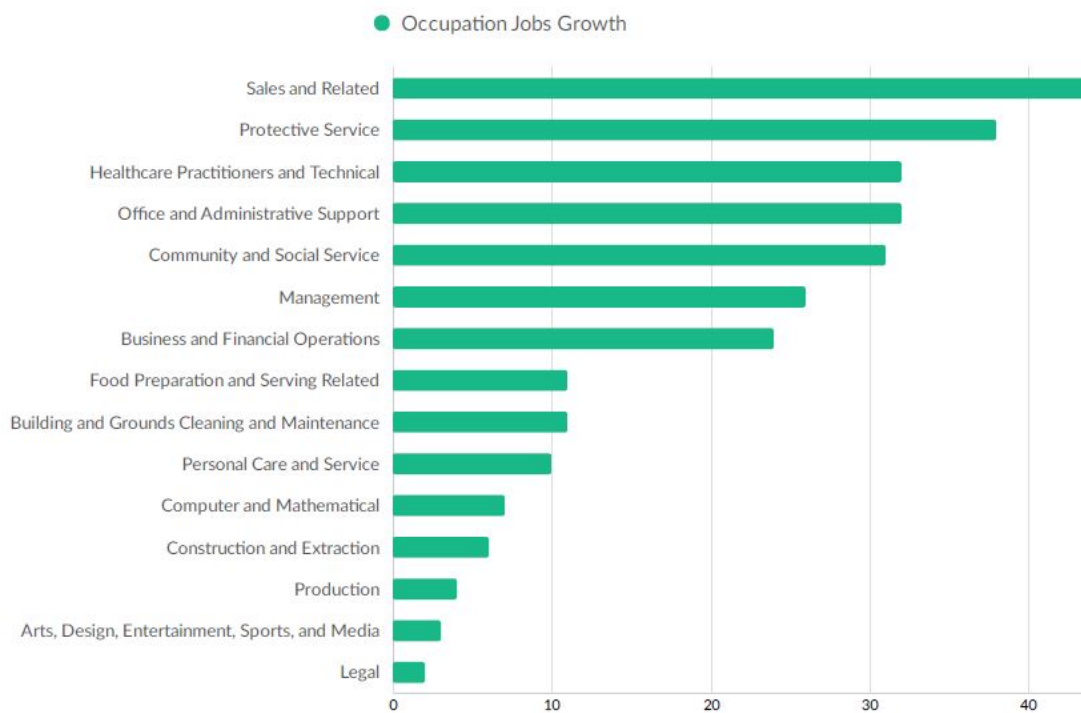


Figure 16 Top Growing Occupations Source: EMSI 1Q 2021 Carthage Zip Code

This green bar in Figure 16 above shows where the new jobs have been advertised over the last two years in the Carthage zip code. Market demand is part of determining the mix of new jobs, but the list also reflects the mix of existing businesses responding to demand. A different business mix would show demand for different jobs. As with the Jobs by Industry, we need to ‘ground truth’ this growth for market or business circumstances versus actual growth especially at this time.

Talent - Educational attainment

Earning potential has long been linked to education. Below is a look at the formal education of the local working age residents in the Carthage zip code. There is a bit more work to be done on reducing high school drop-out rates to compare favorably with state and national workforces.

Educational Attainment age 25+

Carthage Zip Code 28237

Source: Selected Social Characteristics 2019 ACS

| | Carthage % | NC % | US % |
|-----------------------------------|------------|------|------|
| No schooling completed | 0.2 | 4.2 | 4.8 |
| Less than high school | 11 | 7.2 | 6.6 |
| High School/GED | 25.2 | 25.6 | 26.9 |
| Some college or Associates degree | 36.5 | 30.7 | 28.6 |
| Bachelors Degree | 27.1 | 20.5 | 20.3 |
| Graduate or professional degree | 6.1 | 11.8 | 12.8 |

Table 9 Educational Attainment Age 25+ Carthage Zip Code

Sometimes these rates reflect the ability to find work without that degree even though it will hinder earning power throughout the lifetime and hinder development of wealth. Another important aspect of Talent development is skill development and the matching of education and skills with jobs that use those skills—even challenging workers to develop new and expanded skills throughout their careers.

The information in the bar chart below about the matching of job requirements and educational attainment levels is for **all of Moore County** and not just Carthage—a little thought and vetting should allow us to discuss the actual Carthage talent pool conditions.

Underemployment

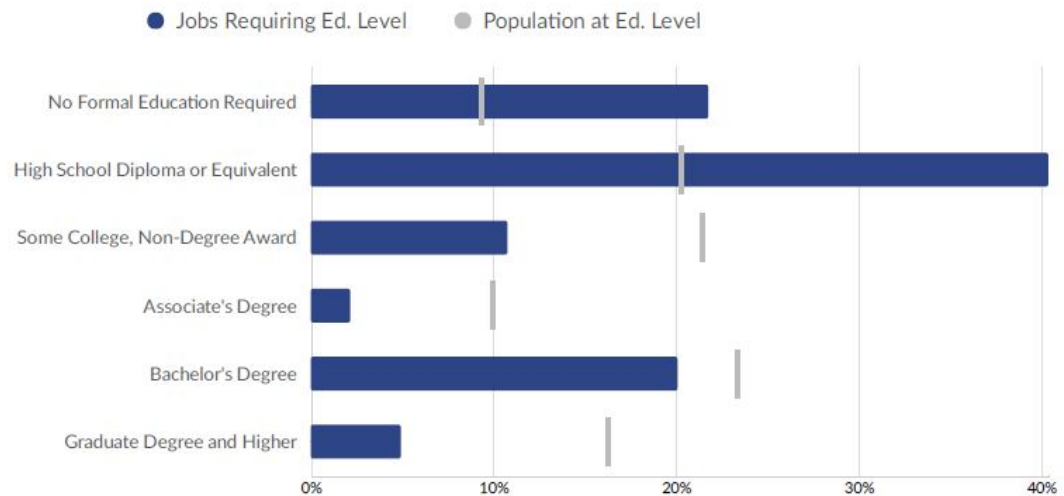


Figure 17 Underemployment Source: EMSI 1Q 2021 Moore County

In a large number of communities, we can see that many jobs require skill levels below that of the local population. The blue bar shows double the number of jobs requiring a High School diploma or less than there are residents at that education level (Figure 17). This can be discussed from perspectives of personal motivation, achieving greatest local production capacity, and growth of our talent pool. As we hear more frequently about employees disengaged from their work, this may be an area to examine further.

Local Economic Control for Resilience

Local control or community self-reliance is the ability of a community to control the quality, quantity and access to goods and services. It builds resilience by providing for the basic critical needs while limiting dependence on, and vulnerability to disruptions from, outside and uncontrolled sources as much as possible. Conditions like global weather, politics, market volatility, transportation, and other issues can also affect resiliency.

Benchmark considerations to evaluate Carthage's control over the most important goods and service needs includes some discussion of these conditions:

- What are our most critical needs? How much of their production and provision do we control locally and what do we depend on others for?
- Ownership of local businesses and production increases business permanence, levels of investment and commitment to the community – is that being engaged and encouraged?

- Flow of dollars in the economy – new and recirculated dollars are both green; however, locally-owned businesses have been shown to generate a higher economic multiplier because owners purchase more local services, participate in local supply/value chains, and invest more in the community quality of life.
- Desire to stop economic leakage by developing local businesses to fill gaps in retail but also supply and value chains for goods and services critical in a disruption.

Essential services and infrastructure control

In an emergency, clean water, healthy food, safe shelter, power and medical care are primary concerns. Considering Carthage’s business mix, ***how many of these most critical needs are adequately sourced if transportation is disrupted? Is the locally controlled supply of water adequate for growth? Is waste treatment?***

Other critical infrastructure includes electricity and broadband. Both may represent areas for new or expanded income development. Examination of reliability, adequacy, sustainability, access and affordability will help to define the need or gaps. The pandemic has strained broadband service and revealed the critical importance of access to not only internet, but also tablets, hardware, software and basic computer skills within the community—students, seniors, adults with limited or no computer skills, and those with English language challenges. Is the existing service affordable? ***Can the existing service maintain adequate bandwidth to support an average of 2.5 on-line users in every home during the hours of 8am and 5pm?***

Local Business Ownership

A business listing for Carthage was obtained from Data-Axle data through the North Carolina Department of Commerce’s Labor and Economic Analysis Division (LEAD). A very cursory review of that data shows 412 total business entity listings. When we remove government services, there remain 351 listings. Of those 351 entities, 146 list the owner as the contact. Using this as an indicator of local ownership would give Carthage around 41.60% local business ownership. Government units make up almost 15% of the listings and in the true sense are under very local ownership—answering to the public and certainly supporting a higher multiplier by contracting and purchasing local services and supplies.

The pandemic has caused increased interest and widespread support for local businesses. Many residents ordered takeout often primarily to help keep a favorite business in operation. Nearly all of Carthage’s businesses are categorized as small businesses by the SBA because they employ fewer than 500 people. This high bar makes it hard to find accurate information on truly small, and especially locally owned, businesses.

Clusters of Non-Employer Businesses Carthage Zip Code EMSI 1st Q 2021

| Cluster | Industry | Jobs # |
|--|--|--------|
| Business Services | | |
| | Admin Management + General Management Consulting | 31 |
| Local Real Estate, Construction and Development | | |
| | Residential Remodelers | 12 |
| | All Other Specialty Trade Contractors | 12 |
| Local Household Goods and Services | | |
| | Landscaping Services | 14 |

Cluster rankings are based on industry earnings, growth, regional competitiveness, regional specialization and gross regional product.

This chart above from EMSI (www.economicmodeling.com) uses US Census **Self-Employed** numbers as a metric for the entrepreneurship on Main Street and in most small rural communities. Above is a cluster analysis for those in Carthage who are self-employed. There are surprisingly few clusters identified. This chart considers the overall viability of those businesses with metrics including earnings, growth, regional competitiveness, regional specialization, and gross regional product. These are our most successful and promising entrepreneurs!

Entrepreneurial Ecosystem Development

With the renewed attention to small businesses, new research and development tools for entrepreneurship have been broadly recognized. Two primary concepts to support the growth and development of such new businesses in Carthage include:

1. developing an entrepreneurial mindset by exposing everyone in the community and especially young people K-12 to the practices and way of thinking employed by entrepreneurs, and
2. the generation of an entrepreneurship ecosystem.

An ecosystem includes start-up and innovation support like that offered by the SBC, SBTDC and others. This system supports business networking, critical mass generation, fluidity of ideas and a supportive “culture” as well as incubation, product testing and other wrap around services all backed by creative local finance.

The mindset has been shown to benefit workers in traditional jobs as well — engaging them in identifying workplace and task issues and empowering them to use their creativity to find, test and

implement solutions. A non-profit out of the American Tobacco campus in Durham, NC IDEA has taken on this challenge to make North Carolina the most entrepreneurial state in the country. It is worth a visit to their website <https://ncidea.org/>. Just recently they announced award of SEED grants to eight start-ups including Active Defender from Carthage!

How is Carthage currently supporting small businesses? Does the leadership, culture and critical mass of entrepreneurial people exist to underpin the ecosystem necessary for growth?

Many businesses, especially on Main Streets had to become increasingly entrepreneurial during the pandemic. The most successful have identified new products, added value to their existing products, found new markets and developed on-line methods of reaching customers and making sales. Most often the back-door sales have had to make up for the losses in traditional front door sales.

Economic leakage

Carthage has had several studies done that are based upon some analysis of the retail marketplace. The 2017 ESRI data shows the Carthage zip code area with a retail/food & drink gap of over \$112M. Moore County, at this same point in time, had overall Retail Trade and Food and Drink leakages of nearly \$151M—most of that in the retail, rather than food and drink categories. Although retail is but one of many industries in Carthage, the examination of this data is instructive for other industries as well. If the retail merchants wanted to explore further what the data tells them about business opportunities and expansion that may be supported, the Main Street and Rural Planning staff would be happy to assist. The NC Main Street program uses this process and information to strengthen the mix in their downtowns.

A similar process might be applied to the industry cluster listing in Figure 14 on page 22. A gathering of the businesses in those clusters to review demand and sales data, as well as general discussion around the needs of each business, may reveal gaps and opportunities for income. It may also help to identify ways to minimize vulnerabilities before future emergencies cause another disruption and leave shortages in the markets.

Local savings and investment monies that are not put to work in the community from which they come might also be considered leakage. Why should hard-earned Carthage assets fuel the businesses, homes, developments and quality of life in another community? Local reinvestment was the traditional role of the local bank, but mergers have caused local monies to be used around the world instead.

Carthage is fortunate to have four banks and one credit union serving the business community. Over the years as banks have merged, some no longer allow local bankers to make final investment decisions as they know to be best in their communities. The bank deposits by local businesses and citizens do not necessarily get reinvested in other local businesses, homes or projects. Community Banks and Credit Unions tend to have higher local investment rates in their communities. Does your bank use your

money to support local people? *Is there adequate funding available for local business and developments?*

Financial Institutions

Banking Institutions in Carthage

State Employees Credit Union

Fidelity Bank

First Bank

Truist (formerly BB&T)

Carolina Farm Credit

Local Wealth for Resilience

Growing local wealth can increase community economic resilience in two ways--by 1) increasing family incomes and improving family stability and ability to weather disruptions, but also 2) through investment of accumulated resources in local businesses and improvements to the local community. The local control of financial, human, natural and organizational assets is the wealth that allows realization of local priorities.

What is wealth? In this method of asset-based economic development, our assets and ability to engage them are our collective wealth. Here are two other definitions from www.investopedia.com:

Wealth – control of and access to resources that determine quality of life, health and prosperity

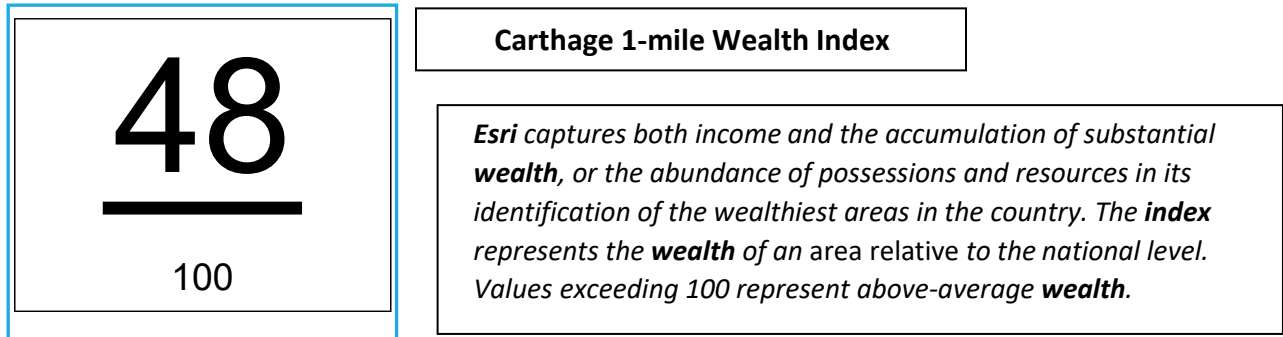
Wealth measures the value of all the assets of worth owned by a person, community, company, or country

There are a couple of established benchmarks for comparing wealth:

1. Carthage average earnings per job of \$50,300 versus the US average earnings of \$70,700 or only 71%.
2. A Home ownership rate of 55% at the one-mile ring compared to 70% at eight-miles and 65% for North Carolina.

Although a reliable statistic was not found for Business ownership rates in the Carthage zip code area, we know that many (41%) businesses are locally-owned and their growth should be a priority—to encourage and support. The owners live in the community, hire local lawyers, CPAs, and marketing companies. These business owners provide philanthropy of service, goods and funding to increase

quality of life and enjoyment. They are also building their personal and family, as well as community, equity.



Wealth is unevenly distributed across even the small area we are investigating. The wealth index for the one-mile ring around Carthage historic Courthouse is only **48** but the five-mile ring improves to **60** and rises to **100** for the eight-mile area. As further comparison, Moore County has a wealth index of **134** and the state overall is **84**.

An article by serial entrepreneur Deep Patel in Entrepreneur magazine offered “4 Money Habits That Separate Building Wealth From Just Making a Living”. The four include: create multiple streams of income; learn to live on less than you make; make your money work for you; and give back.

<https://www.entrepreneur.com/article/295024>

There is a clear need to build wealth in the core of Carthage. Actions to address the four habits and some strategies to be considered for development include:

- Increase average wages, develop more high-paying jobs, increase skill levels, expand income opportunities
- Encourage and support generation of alternative/secondary income streams (entrepreneurship)
- Build equity through ownership – homes and businesses
- Invest current wealth to support local Carthage businesses and community interests

Each of these actions can be further explored and policies/programs developed to address them. ***Is increasing wealth is an economic development priority?***

Earnings per Job in the Carthage zip code area are listed by EMSI as \$50,300 per year as compared to a US average of \$70,700. That is a difference (assuming a 40-hour week) of from \$24.18 per hour to \$33.99 per hour. The cost of living is rated at 97 with the US at 100—virtually on par. This means that Carthage residents are paying the same costs for living but on only 71% of average wages. And these numbers include the Whispering Pines residents that skew such numbers toward greater wealth.

Might our economic development activities be focused on the kinds of occupations and industries that offer higher salaries? Or what other policies and programs might increase household wealth?

The chart below refers back to the EMSI data showing the Largest Occupations in the Carthage zip code – Figure 15. The top occupations in pink are those where Carthage exceeded the number of jobs compared to the US average. The bottom occupations in green are those with fewer jobs than average. Some of the missing jobs had higher median earnings and may be considered for growth targeting.

| Occupational Gaps and Earnings Source: EMSI 1 st Q 2021 | | |
|--|----------|-----------------------------|
| Occupation | Jobs Gap | 2019 Median Hourly Earnings |
| Educational Instruction and Library | 1017 | \$20.24 |
| Healthcare Support | 93 | \$11.22 |
| Building & Grounds Cleaning & Maintenance | 64 | \$11.66 |
| Protective Service | 48 | \$18.16 |
| Community and Social Service | 31 | \$22.84 |
| Office and Administrative Support | -213 | \$17.45 |
| Production | -198 | \$15.08 |
| Business and Financial Operations | -156 | \$29.92 |
| Sales and Related | -144 | \$10.67 |
| Computer and Mathematical | -113 | \$31.10 |
| Transportation and Material Moving | -109 | \$14.22 |

In the Local Economic Control section, we examined entrepreneurship and small business ownership as a resilience strategy. It is also a key strategy for building household wealth. Del Gines with the Federal Reserve Bank in Kansas City tells every audience he addresses that each family needs to have their own business. It is an additional stream of income that can make a difference during a disruption but it may also grow into a significant income and asset. It is an equity-building activity to be encouraged.

As we see in the chart below, greater Carthage does enjoy a relatively high home ownership rate. Within the one-mile ring, however, there could be work done to improve household equity through increased home ownership. An example of employing a wealth-building strategy to accomplish this goal is the Incremental Development Alliance that encourages middle-income individuals to become

involved in small scale real estate development. Local residents thus build personal equity and create an additional income stream for their family, while they also answer an unmet need in the community in a sustainable way. <https://www.incrementaldevelopment.org/>.

If this is of interest, ***might Carthage develop a program with supportive policies to increase the home ownership rates—and home/property values?***

| Home Ownership and Affordability - ESRI Business Analyst | | | | |
|--|----------------------------|----------------------|----------------------|---|
| Area | 2020 Housing Units # | % Owner- Occupied | Median Home Value | Housing Affordability Index* 2020 |
| Carthage 1-mile ring | 918 | 54.6 | | 155 |
| Carthage 5-mile ring | 3,389 | 65 | | 166 |
| Carthage 8-mile ring | 9,268 | 70.3 | \$ 225,067 | 156 |
| Moore County | 52,995 | 63.5 | \$ 230,634 | 159 |
| North Carolina | | 55.7 | \$ 187,915 | 164 |
| United States | | 56.4 | \$ 235,127 | 141 |

**ESRI Index considers a household cost-burdened if they pay more than 30% of income on housing-related costs. 100 = 30% threshold, higher is more affordable.*

Another of the wealth-building tenets is investment. This can be exciting for the community to consider! If funds were made available to invest in growing small, local businesses and also transformational redevelopment projects, the entire community could benefit. Since 2016 it has been legal for people of normal wealth to participate in such investment activities. But—is there really any wealth to be invested?

ESRI estimates that the average net worth of a 5-mile Carthage household is \$306,239 x 3,008 households =

\$921,166,912.

Even within the one-mile radius of the Courthouse there is nearly \$168M in wealth—some small portion of which might be reassigned from accounts invested in businesses across the country and around the world to more local and locally-beneficial business. We know that there is tremendous wealth in Pinehurst—a Countywide investment fund could really make a huge difference in the funding

of small business and transformational redevelopment. The Carthage zip code area computes to over **\$5.8B** in wealth—a tiny percent could help.

Insights from Surveys and Interviews

Surveys and interviews provide more details and nuanced observations that give insight into the realities that data can only allude to and can be more directly incorporated into the report and recommendations. The work group provided support for these tools in distribution, promotion and names of individuals to interview in the community.

Surveys

On-line surveys links were sent to the business community, the Town of Carthage government, and members of the work group. Key stakeholders were interviewed—more on that later! As noted, this information gives more color to raw data and can give the guidelines for the work group’s plan of work.

Surveys and interviews were conducted to understand what challenges and opportunities face Carthage. The survey included questions regarding the impacts felt during the March/April 2020 time when every family and business as well as community needed to “pivot” and find new sources of information as well as new ways of accomplishing daily tasks like grocery shopping, working and learning.



Figure 2 Carthage Buggy Festival Source: The Pilot

There were common themes in all the interviews and surveys. The small-town nature of Carthage was noted as a major selling point for the town. This small town atmosphere also contributed to the “word of mouth” access to information throughout the community. This trend was confirmed in a survey of local businesses. Of the various information outlets available, 71% of the business respondents said they got most of its information during the pandemic by word of mouth (Figure 18).

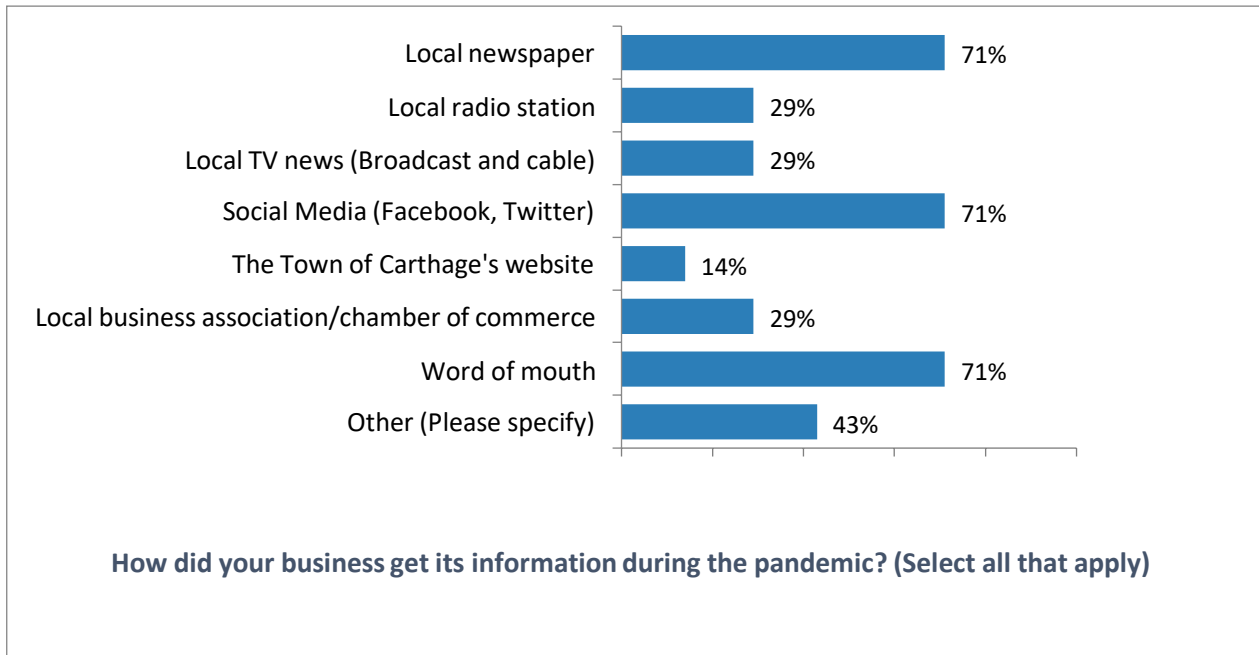


Figure 18 CERRI Carthage Business Survey 2021

Across the board, people said that Carthage’s role as the center of county and town governments was important and a role that should be marketed. The town’s proximity to Ft. Bragg, Research Triangle Park, and Southern Moore County was identified as an asset for the town. More young people and younger families were groups identified to attract to Carthage which dovetailed into the need to find more entertainment/social activities as well as a diverse business climate.

The business community echoed much of this. Those surveyed noted that Carthage needs a variety of large and small businesses to support the anticipated growth in town. Carthage is fortunate that most businesses are small with less than 20 employees. This ensures that the local economy is not focused on one business for the entire area and will allow the town to bounce back from disruptions such as the pandemic.

The pandemic did reveal business needs in Carthage. The top three needs in Figure 19 below were development of business network, training on social media, and resources to find qualified employees. The needs listed show that the pandemic shifted business practices to more social media and e-commerce.

What types of information/training would be most helpful for your business?



Figure 19 Carthage CERRI Business Survey 2021

Since the pandemic forced businesses, schools, and governments to do more work online, internet service has become a major issue, especially in rural North Carolina. This came up in interviews and surveys for Carthage. Infrastructure is paramount to sustain business and growth. Businesses, citizens and the local work group all cited infrastructure- water, sewer and internet- as quality of life amenities missing in Carthage. This can also help Carthage meet the growth pressures that will come as Moore County continues to expand.

Overall, the surveys show that people in Carthage appreciate and want the small, independent town where everyone knows everyone. There are small businesses that provide daily needs, and those businesses should be supported to grow and expand. The challenge is to keep that character as growth happens.

Interviews

“It’s social interactions in town that make Carthage a great place”

Interviews were conducted with local stakeholders and business owners. These interviews also echoed what came up in the surveys. The location of Carthage with its proximity to Research Triangle Park, Ft. Bragg and Southern Moore County were touted. The small town nature of Carthage where people do know one another was another asset identified.

The same concerns covered in the surveys were brought up in these interviews: infrastructure, internet service and downtown improvements. Development of a sense of pride for the town and what it offers was also mentioned. Those who brought this up expressed the hope this project would address that.

Agriculture as a major force in the town and the county was brought up in interviews. Carthage is poised to be a strong agribusiness center due to the farms and forests nearby. Local, state and federal agencies that assist farmers and landowners are also located in, or near, Carthage such as Carolina Farm Credit, FSA, NC Cooperative Extension and the Soil and Water Conservation District. As mentioned earlier, military retirees have sought out small farms to manage with sustainable practices. Exploration into building a livestock area is being done and could help draw various people to Town.

Conclusion

This analysis is not to be considered a thorough, comprehensive analysis of the economic drivers and industries that comprise the economy of Moore County and Carthage. The issue of scale, when looking at data sets at the county level, zip code level, and town or place level, present challenges inferred about the area’s business diversity.

This report, however, is a starting point to look for trends and growth and is meant to assist the county and the town with economic development and recruitment efforts. Other tools, such as a local cluster analysis, could serve the county and town well by taking a more in-depth look at the largest and fastest growing industries in the area. The recommendations below and the work plan created by the local work group provide the groundwork for economic development in Carthage.

Please consider which, if any, of these statistics, insights or conditions are worth exploring further to increase economic resilience in Carthage. These concepts, although considered from the point of an economic disruption, make solid economic development sense.

References for Action:

Immediate:

- Review Hillary Greenberg's report
- Review Creative Consulting's report
- Review SOG Buggy Building report
 - Compare and contrast recommendations and details of reports
- Use LeverageNC webinars to glean information and resources to develop downtown and surrounding commercial areas.
- To assist the Carthage Work Group and to ensure the plan of work and this report are implemented, the town should hire more staff. Even 20 hours a week can help with management of the Plan of work.
- Explore other towns like Carthage to see what worked and did not work. A list of similar communities has been provided to town staff.
- Engage NC Department of Cultural and Natural Resources State Historic Preservation Office (SHPO) to examine downtown buildings and determine potential to enroll in state and federal Historic Register – Jeff Adolphson is staff rep for the region.
 - If Town is able to participate:
 - Work with SHPO to establish a downtown historic district
 - Build around National Historic Preservation tax credits to create an incentive program for development desired by the community
- Determine cluster industries to focus on and develop in Carthage:
 - Healthcare
 - Elder care
 - Small scale businesses
 - Welding/small fabrication
 - Mechanical repair
 - Second businesses that can be attached to existing businesses
 - Look for connector businesses
- Work with those business leaders to figure out what skills and education levels are needed.
- Begin a business network for local businesses in the Carthage area – think beyond downtown.
- Create a Buy Local campaign to support local small businesses as well as area farms.
- Maintain viability of agriculture and agribusinesses – a critical part of what makes Carthage unique
- Preserve unique landscape features and ecosystems
 - Visually separate Carthage from Pinehurst spill over
- Use available resources to leverage support and assist with projects:
 - Carthage Century Committee

- EDPNC
- TJCOG
- League of Municipalities
- Partners in Progress
- UNC School of Government – Community and Economic Development, Development Finance Initiative
- NCWorks and Regional Partnership Workforce Development Board
- Moore County Extension – 4H, Master Gardeners
- Establish and empower committees addressing particular development priorities
 - Build broad partnerships by task or topic engaging community organizations and leaders
 - Include at least one Work Group member to report activities back to Work Group

Long Term:

- To attract military businesses, identify those businesses that are veteran owned and/or have contracts with DOD such as Active Defender in Carthage which recently won an NC IDEA start up grant – to learn more about defense industry needs and requirements.
 - Attend and consider joining Defense Alliance North Carolina to learn about and support defense industry in North Carolina
 - Look at joining North Carolina for Military Employment (NC4Me) which works with all transiting military to find employment in North Carolina – this may be better for the Carthage Business Network to pursue.
 - Partner with Partners in Progress, NCWorks Moore County and Regional Partnership Workforce to recruit military industry and staff.
- Develop a “Come to Carthage” campaign to promote Carthage at area events – highlight affordability, location, current and future business and community amenities
 - Homecomings at area churches and schools
 - Moore County Fair
 - Festivals and parades - Christmas parade, Buggy Festival
 - USO events at Ft Bragg
 - Rockingham Speedway events
 - Area sporting events – bike rides, motorbike races, runs
- Explore requirements for NC Main Street program – the program wants to see towns ready to take it to the next level. Need to show successes.
- Maintain Small town Character – physical, visual and social considerations
 - Downtown Community Core
 - Prioritize active and all-hours community uses in building base spaces facing Courthouse Square
 - Further connect the street grid around the Square and expand on that grid for efficient new development

- Develop as a “15-minute community” with walking access to most vital goods and services within a 15-minute walk or bike ride
 - Reconfigure parking on the square to increase active sidewalk space for amenities, outdoor seating, play fountains and sculpture, plantings, etc.
 - Establish guidelines for higher density development around Square – minimum 2-3 story buildings, inclusion of upstairs offices and housing
 - Design guidance for maintenance of historic neighborhoods - but not forbid new construction
 - Growth Patterns
 - Encourage infill housing and location of highest density housing closest to the downtown core and services
 - Create design guidance for subdivision development
 - Establish guidelines supporting connected communities – through streets with at least two ways out and fairly direct connection to downtown and nearby neighborhoods to encourage social cohesion
 - Connect all Carthage neighborhoods via walking and biking paths to each other as well as downtown and destinations like the grocery store, parks, schools.
 - Landscape requirements – street trees, sidewalks, trails, open public/community spaces, playgrounds.
- Consider further the needs of and how to attract the identified target groups
 - Active Seniors
 - Quality range of housing from total independence to skilled care
 - Community facilities that support social interaction and physical health (pool!)
 - Housing that requires minimal maintenance or transportation
 - 15-minute community
 - Aging in Place support services (many developed during COVID – delivery, etc.)
 - Part time employment opportunities
 - Volunteer opportunities in their areas of expertise or interest
 - Young Families
 - Quality schools and pre-school
 - Recreation (parks, unstructured opportunities, clubs, leagues, etc.)
 - Local-salary-affordable homes with yards
 - Employment for parents
 - Grandparents nearby
 - Special destinations for young people – tool libraries, science clubhouse, etc.
 - Other
- Preserve agriculture/forestry through partnerships to:
 - Maintain the viability of agriculture as an industry, occupation and food source

- Explore participation in NC Local Food Council to increase local control of food staples and access- <https://www.nclocalfoodcouncil.org/>
- Maintain opportunities for sustainable energy production
- Preserve unique landscape features and ecosystems to maintain small town character and to visually separate spill over development from the south and east.
- Maintain small town atmosphere by maintaining ag and forestry
- Market Carthage area to separating military for small farm operations with sustainable methods
- Support area farmers to diversify operations by expanding into produce
- Town can work with collection of groups that serve and represent agriculture and forestry to develop and expand agribusinesses that serve these industries
- Work with Moore County Extension to investigate livestock arena in the area
- Attract and develop businesses that serve the equine industry – farriers, large animal vets, fence companies, equipment manufacturers and repair services.

Appendix:

Economic Resiliency Work Planning

Because considering the building of economic resilience has not been a common practice—we know development planning much better—below are some ideas for the kinds of programs, policies and actions that might be taken to address issues raised in the assessment above.

Economic Diversity

Industry

- Work to develop more small businesses providing the goods and services needed in the community to reduce leakage.
- Increase local business participation in creating deeper value chains for products already produced in the community.
- Develop a balance of White Collar, Blue Collar and Service employment opportunities.
- Prioritize for assistance those industries that are based on sustainable use of local assets.
- Provide guidance on succession planning, alternative ownership and equity sharing models.

Talent

- Be intentional about the development of each residents' full potential as the most critical asset in Carthage. This is a commitment over the span of working life to advancements and prosperity.
- Focus on development of an entrepreneurial mindset that gives the individual power over their future and a process to achieve their potential in the community starting in PreK-12.
- Offer Career Coaching to all residents to define, engage and build on innate skills, interests, habits.
- Consider economic gardening from the perspective of the local talents available and being developed – more applications for Certificates, Associates and also graduate or professional degrees earned.
- Build awareness of mental health issues—how to identify, minimize stigma and instead make referrals for assistance automatic, include those in recovery or treatment in community.
- Develop a community database of skills and interests to also be used as a volunteer/emergency talent pool in areas of specific expertise (also a community engagement tool).

Local Economic Control

- Work toward a greater degree of local self-reliance for critical services like water, sewer, power, broadband and food—the most critical needs in times of disruption.
- Evaluate the food value chain and identify gaps that increase local control and provide business opportunities. Additional critical needs might then also be evaluated for further development.
- Maintain and increase high levels of local business ownership through education/mentoring, succession planning, financial support tools and exposure to alternative ownership models.
- Network small businesses for mutual support, identification of joint needs, communication with leadership and possibly marketing/branding as appropriate.
- Develop local outlets for sales of locally made products directly to Carthage consumers without the cost burden of (national) distribution and marketing services.
- Inventory properties and conditions to support various small businesses
 - Development incentives as needed to encourage building stabilization
 - Create a catalog of facilities for prospective business owners to ‘shop’
 - Streamline permitting processes for business upfit
- Create a communications plan for emergencies that addresses ability of all residents and businesses to receive, understand and act on appropriate, critical information.

Wealth Building

- Raise household incomes for family resilience:
 - Work with EDC to develop a “Good Jobs” program to increase wages and improve working morale (see work by Zeynep Ton from Harvard Business School)
 - Provide local training for higher wage occupations and advancement.
 - Encourage development of supplemental income streams – every family has a business
 - Find existing microbusinesses already functioning in Carthage, network them, support them to grow and increase income.
- Increase access to financial planning assistance for all residents including investment, savings plans.
- Build household equity:
 - Real Estate – especially home ownership
 - Incremental Development Alliance training sessions for interested residents
 - Policies that allow ADU, duplexes, quads of appropriate design in single family neighborhoods for development by individual property owners.
 - Catalog and promote infill development on large or vacant parcels in town.
 - Establish ‘neighborhood’ quality thresholds for integration into a connected community, walkability, safety, recreational connections, aesthetics/comfort and opportunities for social cohesion and interaction.
 - Assemble a local team to consider local financing options and tools.
 - Develop a program for mobile home residents to move into appreciating housing.

- Encourage local investment in redevelopment projects that cash flow through financial literacy counselling.
- Business ownership and Entrepreneurship:
 - Include working for yourself in every career fair.
 - Use entrepreneurial mindset training practices in K-12 education, clubs to maximize internally driven initiative, personal empowerment and the ability to see the process of addressing a need or problem as an engaging learning process and maybe an income opportunity.
 - Develop lifelong career coaching program with hand off from school guidance counselors to ensure greatest engagement, satisfaction and achievement.
 - Create information sheet of important business contacts and support services available in the community and county.
 - Develop a supportive 'ecosystem' including:
 - Entrepreneurial culture in the community – critical mass of people employing entrepreneurial thinking to address community issues
 - Supportive business network (meetings, chatroom...) and density of small businesses
 - Increased business mentoring – possibly use retired talent as well as access to existing local business services.
 - Robust celebration and recognition of successful businesses as well as the learning that comes from traditionally perceived 'failure'.
 - Investment pool of engaged local supporters.
- Create local investment opportunities that will benefit the community while also building family wealth.
 - Convene the financial service entrepreneurs already in the community, with some outside guidance, to discuss development of a local crowdfund to support locally owned businesses (start-up and expansion)
 - Organizational and management models
 - Metrics for lending, returns, qualification for funds
 - Anticipated return rates (realistic) and time horizons
 - Size needed to impact community change
 - Other
 - Use same group and experts as needed to also define possible funding tools for community redevelopment projects that will result in positive ROI and cash flow.
 - Organize educational campaign about such tools, risks, expectations, etc.
 - Include investment planning in financial literacy counselling for residents.
- Develop special funding support as may be needed by under-served people without generational financial advantages to start and grow their businesses.

Any such tools, policies or actions must be developed using local wisdom that may not be engaged in the work group already. Experts abound and should be engaged in this journey—some local, some regional and some national or even international. This should be undertaken with an entrepreneurial mind that identifies challenges and enjoys the creative journey to address them.