

Dare County

2020 Economy Diversification Strategic Plan

Current Plan/Study Summary

January 2016

Title: 2014 National Park Visitor Spending Effects: Economic Contributions to Local Communities, States, and the Nations

Source: Catherine Cullinane Thomas, Christopher Huber, and Lynne Koontz

Funding source: National Park Service, U.S. Department of the Interior

Date: April 2015

Abstract/Narrative:

In 2014, the National Park System received over 292 million recreation visits. NPS visitors spent \$15.7 billion in local gateway regions (defined as communities within 60 miles of a park). The contribution of this spending to the national economy was 277 thousand jobs, \$10.3 billion in labor income, \$17.1 billion in value added, and \$29.7 billion in output. The lodging sector saw the highest direct contributions with 48 thousand jobs and \$4.8 billion in output directly contributed to local gateway economies nationally. The sector with the next greatest direct contributions was restaurants and bars, with 60 thousand jobs and \$3.2 billion in output directly contributed to local gateway economies nationally.

Key findings/recommendations/conclusions:

Over 2.8 million visitors to Cape Hatteras National Seashore, Fort Raleigh National Historic Site and Wright Brothers National Memorial spent more than \$170 million in communities in and around the parks. This spending supported approximately 2,683 jobs in the local area and had a cumulative benefit to the local economy of more than \$212 million dollars.

County advantages:

National Parks make up a large portion of the area's employment and generated revenue.

County barriers:

Park employment is seasonal and park land is protected from development.

County opportunities:

National parks attract tourists regionally and nationally.

Title: A Study of the Economic Impacts of Oregon Inlet Navigability to Dare County, the Surrounding Region, and the state of North Carolina

Source: Moffat & Nichol, UNCW, Appalachian State, and ECU

Funding source:

Date: May 2014

Abstract/Narrative:

The objective of this study was to examine the economic impacts of Oregon Inlet navigability to Dare County, the surrounding region (Dare, Currituck, Camden, Pasquotank, Perquimans, Tyrell, and Hyde counties), and the state of North Carolina. Various economic sectors were considered in the economic analyses including: Commercial Fishing • Seafood Packing/Processing • Boat Building and Support Services • Recreational Fishing (Charter and Private) and Tourism • Tournament Fishing • Offshore Drilling • Offshore Wind Energy • Sound side Flooding

Key findings/recommendations/conclusions:

- The commercial fishing industry provides an annual economic benefit of 604 jobs and \$25 million to Dare County. Seafood packing and processing provides an additional annual economic impact of 149 jobs and \$31.6 million.
- 15 boat builders located in Dare County represent a substantial portion of the 47 manufacturing businesses in the county (NCDC, 2014), directly employing 274 workers in 2012, who earned \$10.6 million in wages.
- Boat building accounted for approximately 274 of the 480 manufacturing jobs in Dare county in 2013 (NC-EDIS, 2014).
- Boat building jobs are relatively high-paying, with an average weekly wage of \$744 in 2012, compared to the county average weekly wage for private industry of \$517 (NC-EDIS 2014, NCDC 2014).
- Oregon Inlet dependent recreational fishing and tourism currently provide a total annual economic impact of 1,997 jobs and \$247.7 million to Dare County.

County advantages:

The five main study sectors (commercial fishing, seafood packing & processing, boat building & support services, recreational fishing & tourism, and tournament fishing) currently provide a total annual economic impact of 3,319 jobs and \$403.5 million to Dare County, 3,601 jobs and \$423.3 million to the surrounding region (including Dare County), and 4,348 jobs and \$548.4 million to the state of North Carolina (including Dare County and the surrounding region).

County barriers:

- The commercial fishing industry has seen a decline in the region over the past 30-40 years due to several factors, which includes the declining condition of Oregon Inlet.

- 1960s there were approximately 40-50 different commercial seafood businesses in Dare County.
- Presently there are approximately only 15-20 in Dare County. Of these businesses, most landings are handled by the 4-5 largest dealers.
- Local boat builders are directly dependent on Oregon Inlet. Based on the field interviews, if Oregon Inlet were to close, these businesses would close as well or relocate to places like South Carolina, Florida, and Mexico.

County opportunities:

A study by the University of North Carolina (2009) finds that there is sufficient potential for offshore wind development in Federal waters off the coast of North Carolina. Examining wind potential, engineering and economic feasibility, as well as social, political, and environmental constraints, the study concludes that there are 190 BOEM lease blocks with wind power capacity in excess of 35%. Focusing on waters less than 50 m deep and within 50 miles of the coastline, there are more than 2800 square miles of potential development area off the North Carolina coast, a significant proportion of which is located adjacent to Dare and Currituck Counties.

Title: Comprehensive Economic Development Strategy

Source: Albemarle Commission

Funding source: CEDS plan

Date: October 2012

Abstract/Narrative:

The Comprehensive Economic Development Strategy was developed by the Albemarle Commission Planning Staff with the guidance of the CEDS Committee, and input from local governments in the region. The CEDS Committee represented leaders of the community and was composed of 51% private sector stake holders. Local government managers, planners, and economic developers provided input concerning the projects and needs of the region. Other sources of information include economic development strategies, land use plans, and capital improvement plans of local governments in the region.

Key findings/recommendations/conclusions: Regional SWOT

Strengths:

- Recreation and natural amenities
- Rural and small town life style
- Strong agriculture industry
- Strong tourism industry
- Well persevered historic areas
- Higher education and job training facilities
- Close proximity to urban centers in Virginia
- Large federal government employers

- Several airports
- Geography ideal for both aircraft and marine facilities

Weaknesses:

- Poor connectivity of transportation system
- Difficulties attaining potable water
- Low educational attainment
- Insufficient communication network
- Storm and flood prone areas
- Ta-base/service requirement imbalance
- Lack of affordable housing

Opportunities:

- Workforce development through state universities and community colleges
- Vacant buildings hold promise of reconstruction and infill development
- Many tourism activities remain unutilized
- Differentiation of agriculture products such as organic or wild-fish might strengthen the industry
- Further expansion of airports for commercial and leisure use
- Potential for aeronautic and marine research
- Residents commuting to Virginia present a market for services within the region
- Improved water capacity through utilization of new technologies, state and federal funding, and regional connectivity of water systems

Threats:

- Rapid residential development, without commercial balance
- Possible coastal shift due to global warming
- Declining profitability in agricultural industries
- Loss of natural and recreational amenities to development
- Declining economic competitiveness due to changes in global and national economy
- Unfunded mandates and other encroachments on local government resources
- Increasing demand for services from local governments

The real estate and healthcare industries are likely to experience the greatest growth over the next six years. These industries have low average earnings/worker in relation to other industries in the region, and the industries with the highest earnings/worker, government and manufacturing, are likely to only grow by about 8%-12%. However, examining forecasts of key occupations reveals that management, a high earning occupational sector, is likely to grow. Growth in management indicates the emergence of new businesses, and greater commitment to the region by corporations with existing business interests.

County advantages:

- 40.17% change in tourism spending in Dare County 2000-2010
- Dare is most educated county in region- 32% residents have bachelor's or higher and highest HS graduation rate- 91%

Regional barriers:

- Due to the geography of the region, transportation, soil quality, and flooding are the primary obstacles to economic development.
- Region is aging- 16.9% are 65 and older
- Dare County has a poverty rate of 24% of under 18
- Third highest median income in region- \$50,203 (2010)
- -10.37% employment change rate from 2007-2010
- Housing costs are extremely prohibitive to economic development in the region.
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Regional opportunities:

- The Northeastern Workforce Development Board was awarded a \$1.27 million dollar State Energy Sector Partnership (SESP) grant from DOL in the spring of 2010 to serve the counties of Camden, Chowan, Currituck, Dare, Gates, Hyde, Pasquotank, Perquimans, Tyrrell, and Washington. The purpose of the grant is to target energy efficiency and renewable energy as well as other green industries that build and strengthen partnerships dedicated to building a skilled workforce. The grant promotes career pathway development and skill attainment (education and training) that leads to industry recognized certifications in renewable energy as well as energy efficiency with the intent that all training will lead to employment in the Energy sector.
- The entire economy of the region is hindered by a lack of communication and information industries. The development of this sector within the region, will significantly improve recruitment and entrepreneurial capabilities while enhancing the productivity of existing businesses.
- Wholesale trade benefits all other clusters. Developing this industry within the region will allow service providers easy access and collaboration to their input resources.
- The regional economy would benefit greatly from the recruitment and development of advanced manufacturing industries. Biotechnology such as the manufacturing of pharmaceuticals/vitamins might be supported by the region's diverse agricultural industry. Advanced manufacturing of Aeronautical and Marine components could realize advantages from the region's government customer base and geography.

Title: Impact of Tourism on Community Life in Dare County

Source: East Carolina University

Funding source: ECU's Office of Engagement, Innovation and Economic Development

Date: 2009

Abstract/Narrative:

Dare County is structured to support the tourist orientation and demand particularly as they relate to 1) construction, where homes and businesses have been built to meet the needs of the ever-growing visitor and retiree population; 2) retail trade, including souvenir shops to grocery stores; 3) real estate, rental and leasing, including the sale of second homes and rental of beach houses; and, 4) leisure and hospitality services, to meet the recreation, accommodations, and food service needs of both residents and visitors. With tourism being arguably the major economic driver of the county and with over 70% of the housing stock being second homes, the pluses and minuses of tourism are regularly being debated. The future health of Dare County is constantly being assessed by its many and varied stakeholder groups including the tourists who visit, public policy makers, business owners and operators, as well as resident property owners and second home property owners.

Key findings/recommendations/conclusions:

Important to full time resident property owners for future economic success were:

- economic benefits to local communities;
- preserving local culture;
- being energy efficient;
- reducing consumption of freshwater; and
- managing waste and management of waste water.

Important to second home owners were:

- protecting air quality; and
- conserving the environment and use of public land for tourism.

Full time resident and second home property owners feel a similar level of importance on:

- training and educating clients and employees;
- purchasing from companies with green certified practices;
- reducing noise; and
- reducing and managing greenhouse gas emissions.

County advantages:

- Full time residents indicated they chose to live in Dare County due to the scenery (61%), climate (61%) and small town atmosphere (49%); additionally, 46% indicated they would retire or have retired to Dare County. Eighty-two percent (82%) indicated they want to remain in Dare County.
- Full-time residents are satisfied with the quality of the education system and emergency services.

County barriers:

- Of the 10,907 single family houses in the \$200,000 to \$300,000 price range, 58% are second homes; in the \$1 million and over housing price range, 93% or 1914 units are second homes. Of the 14 apartment units in the \$400,000 to \$500,000, seven, or 50% are second homes.
- A total of 22,952 acres of “Vacant Land” in Dare County, of which 21,147 acres (74%) is government and non-profit owned vacant land.
- Second home owners have substantially higher annual household income at all income levels starting at \$100,000 than do full-time residents. 70% of second home owners are 55 years of age or older. A substantial number of current residents intend to remain in Dare County. Six percent of second home owners suggest they will move full time to Dare County over the next 3-5 years. 82% of residents shop within 15 miles; 9% drive in excess of 60 miles to shop. 53% of second home owners use their property 49 days or less. 40% of second home owners compared to 24% of full-time residents have post-graduate education.

County opportunities:

- Full time resident property owners expressed less satisfaction with the relationship of tourism to cultural opportunities including current policies regarding driving on the beach, recreational opportunities for young people, entertainment opportunities, the relationship experienced with both foreign workers and visitors, and on the number and mix of cultural offerings.
- Second home owners expressed greater satisfaction with the management of tourist traffic, the proposal for new bridges, the adequacy of internet infrastructure to attract and support new business, the presence of parks, greenways, and bike lanes, and public transportation.
- Full time resident property owners expressed less satisfaction with water quality, availability of child care and quality of healthcare services, on availability of healthcare facilities, amount of affordable housing options and on the range of housing styles, designs and affordability.
- Full time resident and second home property owners are in agreement regarding the relationship of tourism to the amount of residential development, property taxes compared to other coastal resort communities, availability of full time resident housing, educational offerings for adults, and access to and from Dare County during tourist season.

Title: Marine Trades Training Boosts Coastal Economy

Source: Coastwatch, Ann Green

Funding source:

Date: Autumn 2007

Abstract/Narrative:

More than 3,000 boat building businesses employ more than 30,000 employees across the state. The College of Albemarle (COA), Carteret Community College (CCC) and Cape Fear Community College (CFCC) offer boat building classes. All are filling a gap in workforce training and development for the state's boat builders.

Key findings/recommendations/conclusions:

- Wanchese Industrial Park has several boat building businesses. Boat building and support services provide a total annual economic benefit of 1,235 jobs to the county and the surrounding region (Moffatt & Nichol 2006 study).
- The College of the Albemarle has a custom boat building certification program that includes introductory boat building classes, as well as electives like marine cabinetry, electronics and painting.
- Teresa James, dean of College of the Albemarle, formed a Marine Technologies Advisory Committee with representatives from NC Sea Grant.
- Dare County Marine Industrial Association is a local nonprofit dedicated to the industry.