THE STATE OF NORTH CAROLINA'S COMMUNITIES
DURING THE COVID-19 PANDEMIC
May 22, 2020

Report on Outreach Meetings with Communities
Conducted by the NC Main Street & Rural Planning Center
and the
NC Appalachian Regional Commission Program
April 20, 2020 to May 14, 2020

For more information, contact:

Elizabeth (Liz) H. Parham, CMSM
Director
NC Main Street & Rural Planning Center
Rural Economic Development Division
North Carolina Department of Commerce
919 814 4658 office
919-805-2067 mobile
lparham@nccommerce.com

Darren Rhodes, CPM
Rural Planning Program Manager
NC Main Street & Rural Planning Center
Rural Economic Development Division
North Carolina Department of Commerce
336 618 5117 mobile
drhodes@nccommerce.com

Olivia A. Collier
Appalachian Regional Commission
Program Manager
North Carolina Department of Commerce
919 814 4656 office
919 218 3623 mobile
ocollier@nccommerce.com

Introduction

Between April 20 and May 14, 2020, planners from the NC Main Street & Rural Planning Center's Rural Planning program and the NC Appalachian Regional Commission program contacted local government officials in all 100 North Carolina counties to find out how their communities were handling the economic and societal disruptions brought about by the COVID-19 health crisis. The outreach effort allowed planners to check in on communities, learn about their challenges and needs, provide information about financial and other assistance for local governments and businesses, inform them about program and resource development for recovery, and offer support.

Planners organized teleconference meetings with counties and municipalities in each of the state's eight prosperity zones. The overall statistics for the outreach meetings are as follows:

- **100** counties served with outreach meetings
- **100** meetings held
- **213** local units of government and economic development organizations participated in meetings
- **230** individuals participated in meetings

See Appendices A and B for more detailed statistics.

Meeting participants included city, town, and county managers, administrators, clerks, and elected officials, as well as directors of planning, emergency management, economic development, downtown programs, and chambers of commerce, among others.

Planners asked meeting participants to share their communities' immediate and anticipated challenges and needs. They also asked if there were resources or services that might help the communities address their needs. Planners informed participants about a special allocation of CDBG funds for COVID-19 response and asked how their communities might use such funding. They also conveyed the NC Department of Commerce's commitment to partnering with and assisting communities now and in the future.

> **Technology Obstacles**
>
> Teleconferencing has been a staple of holding meetings over the past few months. As the planners began hosting virtual meetings with communities, several obstacles were common. First, many small town and rural county governments lack the technology, equipment and training to fully take advantage of teleconferencing. Often, the teleconferences with rural communities included participants whose computers did not have microphones and cameras. Some joined the meetings but were unable to speak. Planners employed various workarounds, such as using speakerphones and conference calls. Some communities tried but could not access the meetings at all. In such cases, planners followed up afterward to obtain their input.
>
> Another obstacle to participation was many communities' inexperience with Microsoft® Teams, the State's preferred platform for teleconferencing. As a result, the planners are working to improve access to future virtual meetings by adding a call-in telephone number feature to Microsoft® Teams.
>
> As virtual meetings become a standard way of communicating, these obstacles will be reduced. In the meantime, state agencies need to be aware that many communities are not currently equipped to participate in teleconferences.

Most Significant Challenges and Needs

A summary of challenges and needs shared by communities follows; however, they repeatedly emphasized:

- **Budget Impacts** - Local governments are very concerned about their FY 2021 budgets due to uncertainty about state sales tax and other expected revenues, pandemic response costs, and more.
- **Reopening Guidance** – Local governments and businesses want guidance on when and how to safely reopen buildings and facilities, serve customers, hold events, and schedule programs.
- **Broadband Access** – Existing limitations on broadband service have been magnified by current needs for teleworking, virtual classrooms, online government and business transactions, etc.
- **Small Business Assistance** – Small businesses need loans, grants, training, marketing, and other support to help them reopen safely and become more resilient.
- **Amplification of Existing Challenges/Needs** – Broadband (see above), ongoing hurricane recovery, limited rural health services, food insecurity, and other challenges are more pronounced.
- **Funding and Technical Assistance** – Local governments will seek funding and technical assistance for infrastructure projects, equipment, training, and other economic recovery support.

Reaching out and touching base with the towns and counties in my Prosperity Zone not only gave me the opportunity to connect with my communities but also gave the participants an opportunity to express their concerns and more importantly, connect with others in the same county. Participants ranged from very small towns to cities to county government all on the same teleconference.

Amy Suggs, Community Economic Development Planner, Southeast Prosperity Zone

Challenges and Needs

The more common (and a few unique) conditions, challenges, and needs identified by communities that took part in the outreach meetings are summarized below.

Local Governments

- Operating, many with staff working staggered hours, reduced hours, from home, etc., and having little to no in-person public contact.
- Many are trying to conduct business remotely, but are having issues with holding board meetings, public hearings, and other meetings, while ensuring public access, in accordance with state law.
- Many small and rural communities lack broadband access, computer equipment, software, training, and other tools needed to conduct business and have employees work remotely.
- Most are very concerned about FY 2020-2021 budgets for reasons including, but not limited to:
  - Uncertainty regarding revenue projections (state sales tax and other sources)
  - Revenue shortfalls due to late/deferred utility payments, suspension of late fees, a reduction in usage due to businesses, colleges and universities, and other facilities being closed, etc.
  - Pandemic response and recovery costs (overtime pay for public safety, PPE for staff, computers, software, and other technology support for employees, board members, etc.)
  - Reduction in Powell Bill funds as gas tax receipts will be down due to less driving
- Many have concerns about their communities reopening because of uncertainty about when to open and how to do it safely. They want guidance regarding implementation of the Governor's three-phase plan as it pertains to reopening local government buildings and facilities, serving the public, holding events, scheduling programs, etc. They want to be prepared to inform and support businesses as they reopen. They also need to make decisions now about whether to postpone or cancel events and programming planned for the summer.
- Broadband service, access, and availability issues have been magnified by the pandemic (with the increase in teleworking, virtual classrooms, online government and business transactions, telemedicine, etc.). Communities noted the need for last mile broadband funding. They also mentioned spotty service, limited Wi-Fi hotspots to access broadband, and other issues.
- Economic issues (beyond broadband) that already existed in some communities have been amplified, such as ongoing hurricane recovery efforts, limited rural healthcare services, prison closure, food insecurity, concerns that rural areas will be left behind in recovery (rural/urban divide), etc.
- Communities that are more dependent on tourists and/or second homeowners expect their economies to be negatively affected. They do not know what the summer will bring in terms of visitors and part-time residents or what accommodations, restaurants, retail and service businesses, etc., will be open. Some are not sure how much (or even if) they should invest in marketing.
- Many are concerned about the impacts of festivals, concert series, and numerous other community events being cancelled, and historic and cultural attractions being closed.
- Communication needs improvement - from federal and state government to local governments, the business community, non-profits, etc., and from local government to citizens (particularly those without access to broadband, computers, tablets, and smart phones).
- Some need Personal Protective Equipment (PPE) for public safety, emergency services, and other frontline personnel. Lack of PPE and limited testing in general is a concern.
- Food supply is a challenge for some. Local food banks need more resources as supplies are running low. The closing of some meat and poultry processing plants in the state has raised questions about potential shortages. Some communities are food deserts.

Businesses

- Businesses are struggling and concerned about having to remain closed or continuing to offer limited services for a longer period.
- Small businesses in many communities have been hit hard and help has been limited or difficult to obtain. Those with a web presence seem to be doing better than others. Communities are concerned that many businesses will have to close permanently.
- Businesses want to know when they can resume full operations, reopen buildings and facilities, serve customers, hold events, etc., and how to do it safely. They want guidance regarding implementation of the Governor's three-phase plan as it pertains to their businesses.
- As they reopen or resume full operations, some businesses expect to have issues with rehiring staff members they laid off, especially if those individuals are, at least temporarily, receiving more in unemployment benefits compared to their previous work wages because of Federal Pandemic Unemployment Compensation.
- The self-employed may be not be benefitting from relief programs, may be receiving mixed messages on eligibility, etc.
- Some larger industries have been more resilient and have pivoted their operations to increase production, add shifts to spread out workers, and/or to produce PPE and other needed products.
- Other industries are laying off workers and dealing with issues such their ability to continue operating as employees are diagnosed with COVID-19, supply chain disruptions, shortages of equipment (such as masks), etc.
- Commercial property owners that are losing revenue due to tenant businesses closing (temporarily or permanently) may need relief.
- Ensuring the safe reopening of child and adult care services as more people return to work is a necessity.

Resources and Services to Address Challenges and Needs

Outreach meeting participants offered suggestions and ideas for support to help address their communities' challenges and needs. Participants most frequently mentioned those summarized below.

Local Governments

- Budgets and Other Financial Assistance
  - Guidance on state sales tax and other revenue projections
  - Advocacy (e.g. NC League of Municipalities, Rural Center, etc.)
- Reopening Guidance
  - Implementation plans with timeframes
  - Standards
  - Best practices
  - Where to find help and resources
- Public Meetings
  - Statute changes (NC General Assembly) to provide clear direction on holding open meetings remotely with public participation
  - Guidance on online meeting platforms to address technology needs and security concerns
- Funding
  - Recovery planning and implementation
  - Equipment (e.g. laptops with cameras and microphones) for teleworking, remote meetings, etc., software (accounting, teleconferencing, etc.), and technology training
  - Infrastructure (e.g. broadband; water/wastewater system improvements and expansion to serve planned and proposed projects)
  - Downtown development/redevelopment support
  - Staff to help counties with COVID-19 contact tracing

- Other planning (see Technical Assistance, below)
- Resources for food banks
- Technical Assistance
  - Training/support/planning for building more resilient local economies
  - Training on holding remote public meetings and the technology to do so
  - Training/assistance with recruiting businesses to replace ones that close
  - Developing business contact lists
  - Help with FEMA assistance applications and reporting requirements
  - Simplify the process for securing state grant and loan opportunities and make the terms more flexible, if possible (e.g. some communities expect that meeting job creation requirements for grants already issued will be difficult)
  - Assistance with seeking and administering grants
  - Training for elected and other local government officials on economic development
  - Modelling and strategic planning for emergencies of all types
  - Food supply planning/coordination
  - Corridor planning, economic development strategic planning, planning for growth in rural areas, etc.
  - Project development support, including research on funding sources

Businesses

- Start process to allow businesses to reopen and get people back to work
- Reopening guidance for businesses (see Reopening Guidance in Local Governments section, above)
- "Hands-on" reopening planning and technical assistance for local businesses
- Promotions/marketing support, including development of consistent, shared messaging about communities being open for business and what is being done to ensure the safety of customers
- More federal funding for business loans (and an easier/faster process with banks)
- Advocate for federal stimulus funds to go to small businesses (20 employees or less)
- State or other funding for local loan programs for small businesses
- Training programs for businesses by small business centers and community colleges
- Worker training programs as businesses pivot to make new products
- Develop local supply chains and encourage onshoring so the state can produce what it needs
- Support for safely reopening child and adult care services

Some Encouraging News

Despite the challenges they have been facing, communities also shared good news during the outreach meetings. For example:

- Most local governments indicated they were doing okay (maintaining, surviving, etc.), given the circumstances, and are figuring out how to continue to provide services.
- A number of communities asked about funding sources and guidelines for establishing loan programs for small businesses.
- Some economic developers are still receiving inquiries regarding potential projects.
- Some communities reported that construction projects are progressing, and others are being planned.

Feedback on NC MS&RP Center Information and Outreach

- Participants are receiving the tips and resources the NC MS&RP Center emails several times a week, finding them very helpful, and sharing them with citizens and businesses. They are also referring to www.ncmainstreetandplanning.com for additional and updated information. Some suggested consolidating information with other agencies, putting the information in one location, etc. Others have been overwhelmed with information from a multitude of sources.

- Participants indicated the outreach meetings were helpful. They appreciated being invited and asked for their input. Some were interested in participating in future meetings. Some followed up with the CDBG program administrator regarding the new funding for COVID-19 response.

After the Outreach Meetings

Following the outreach meetings, planners responded to communities' requests for information on a variety of topics, including researching funding sources for infrastructure and other projects and finding examples of local loan and grant programs established to help small businesses impacted by COVID-19, for example. The planners continue to reach out to communities that were not able to join the initial teleconferences.

Interim reports on the needs, challenges, and suggestions for assistance made by communities were sent to the Directors of the NC MS&RP Center and the NC Appalachian Regional Commission program and to the NC Department of Commerce Assistant Secretary of Rural Economic Development, who, in turn, shared the information with NC Department of Commerce leadership.

Since the outreach meetings began in April, there have been (and continue to be) actions taken at the federal and state levels to begin to respond to the impacts of the COVID-19 pandemic, including some expressed by communities and summarized in this report.

APPENDIX A

Progression of Outreach Meetings with Communities by Prosperity Zone

Progression of Outreach Meetings with Communities
April 20, 2020 to May 14, 2020

Prosperity Zone	County	Week Meetings Completed			
		4/19/2020	4/26/2020	5/3/2020	5/10/2020
North Central	Chatham	✓			
	Durham			✓	
	Edgecombe		✓		
	Franklin	✓			
	Granville	✓			
	Harnett	✓			
	Johnston		✓		
	Lee			✓	
	Nash		✓		
	Orange	✓			
	Person	✓			
	Vance	✓			
	Wake		✓		
	Warren	✓			
	Wilson		✓		
Northeast	Beaufort	✓			
	Bertie	✓			
	Camden				✓
	Chowan		✓		
	Currituck		✓		
	Dare		✓		
	Gates			✓	
	Halifax		✓		
	Hertford		✓		
	Hyde		✓		
	Martin		✓		
	Northampton		✓		
	Pasquotank		✓		
	Perquimans		✓		
	Pitt	✓			
	Tyrrell	✓			
	Washington	✓			
Northwest	Alexander		✓		
	Alleghany			✓	
	Ashe	✓			
	Avery		✓		
	Burke			✓	
	Caldwell		✓		
	Catawba		✓		
	McDowell		✓		
	Mitchell			✓	
	Watauga		✓		
	Wilkes		✓		
	Yancey				✓
Piedmont Triad (Central)	Alamance	✓			
	Caswell				✓
	Davidson	✓			
	Davie	✓			
	Forsyth	✓			
	Guilford	✓			
	Randolph	✓			
	Rockingham	✓			
	Stokes			✓	
	Surry			✓	
	Yadkin	✓			

Progression of Outreach Meetings with Communities
April 20, 2020 to May 14, 2020

Prosperity Zone	County	Week Meetings Completed			
		4/19/2020	4/26/2020	5/3/2020	5/10/2020
Sandhills (South Central)	Bladen			✓	
	Columbus	✓			
	Cumberland	✓			
	Hoke		✓		
	Montgomery		✓		
	Moore			✓	
	Richmond		✓		
	Robeson		✓		
	Sampson		✓		
	Scotland	✓			
Southeast	Brunswick		✓		
	Carteret	✓			
	Craven		✓		
	Duplin		✓		
	Greene		✓		
	Jones	✓			
	Lenoir	✓			
	New Hanover		✓		
	Onslow	✓			
	Pamlico		✓		
	Pender		✓		
	Wayne		✓		
Southwest	Anson		✓		
	Cabarrus		✓		
	Cleveland	✓			
	Gaston		✓		
	Iredell	✓			
	Lincoln		✓		
	Mecklenburg		✓		
	Rowan	✓			
	Stanly		✓		
	Union		✓		
Western	Buncombe		✓		
	Cherokee		✓		
	Clay	✓			
	Graham	✓			
	Haywood		✓		
	Henderson		✓		
	Jackson		✓		
	Macon		✓		
	Madison	✓			
	Polk	✓			
	Rutherford		✓		
	Swain		✓		
	Transylvania	✓			

APPENDIX B

Rural Planning Program Outreach to Communities Meeting Statistics by Prosperity Zone

Outreach to Communities – Meeting Statistics

Week of April 19, 2020

Prosperity Zone	Counties Served by Meetings	Meetings Held	Local Govts & Economic Development Orgs Represented	Meeting Participants
North Central	8	7	21	25
Northeast	5	4	12	12
Northwest	1	1	1	2
Piedmont-Triad	8	8	17	17
Sandhills	3	5	10	12
Southeast	4	7	9	9
Southwest	3	3	7	9
Western	5	7	12	13
Totals	**37**	**42**	**89**	**99**

Week of April 26, 2020

Prosperity Zone	Counties Served by Meetings	Meetings Held	Local Govts & Economic Development Orgs Represented	Meeting Participants
North Central	5	5	17	20
Northeast	10	6	17	18
Northwest	7	7	18	18
Piedmont-Triad	0	0	0	0
Sandhills	5	6	8	8
Southeast	8	8	19	19
Southwest	7	5	11	13
Western	8	8	21	22
Totals	**50**	**45**	**111**	**118**

Weeks of May 3 & May 10, 2020 (Combined)

Prosperity Zone	Counties Served by Meetings	Meetings Held	Local Govts & Economic Development Orgs Represented	Meeting Participants
North Central	2	2	2	2
Northeast	2	2	2	2
Northwest	4	4	4	4
Piedmont-Triad	3	3	3	3
Sandhills	2	2	2	2
Southeast	0	0	0	0
Southwest	0	0	0	0
Western	0	0	0	0
Totals	**13**	**13**	**13**	**13**

All Weeks Combined (Week of April 19 through Week of May 10, 2020)

Prosperity Zone	Counties Served by Meetings	Meetings Held	Local Govts & Economic Development Orgs Represented	Meeting Participants
North Central	15	14	40	47
Northeast	17	12	31	32
Northwest	12	12	23	24
Piedmont-Triad	11	11	20	20
Sandhills	10	13	20	22
Southeast	12	15	28	28
Southwest	10	8	18	22
Western	13	15	33	35
Totals	**100**	**100**	**213**	**230**