

Northwest Georgia's Economic Development Strategy

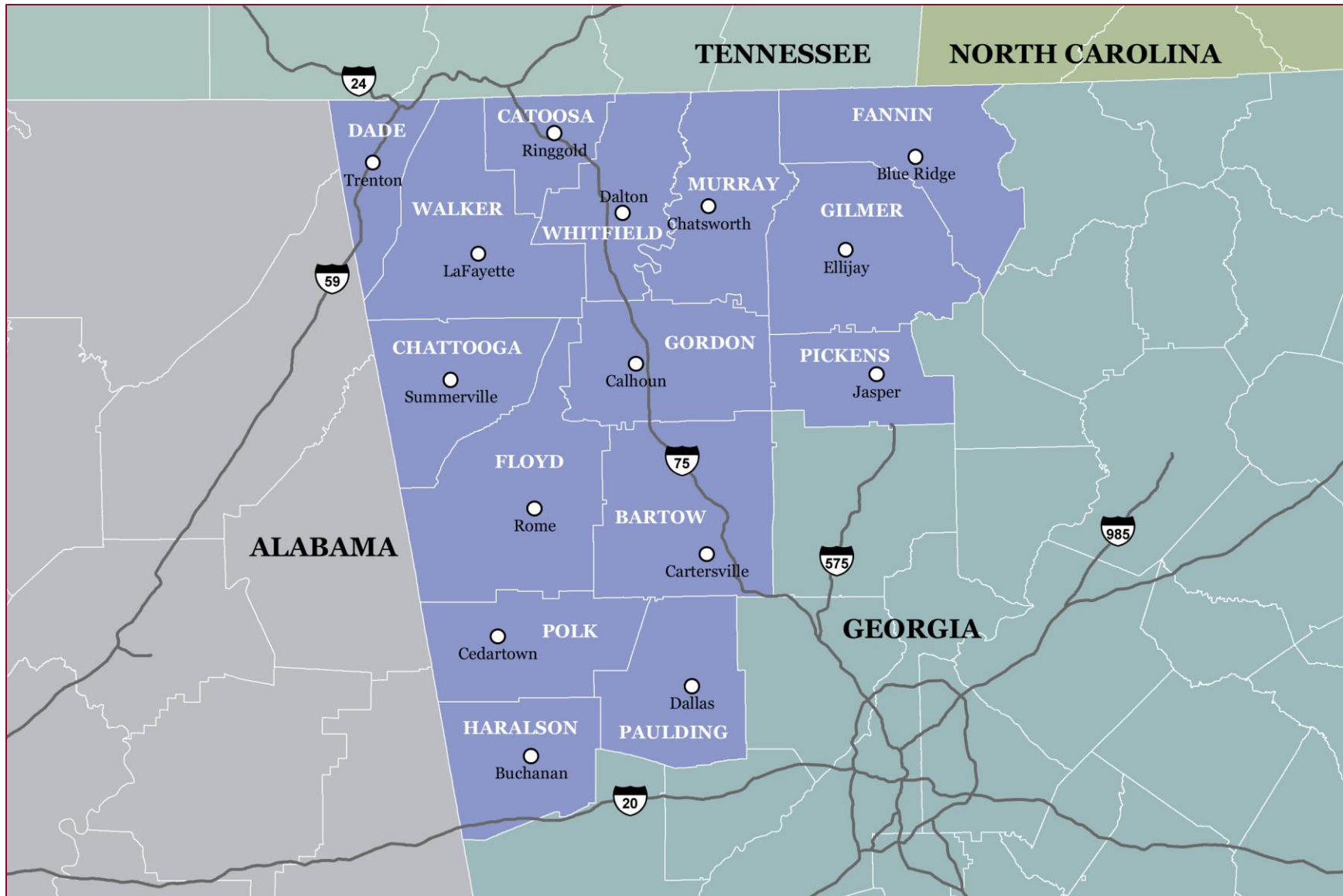
2020 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS) ANNUAL UPDATE

Northwest Georgia Regional Commission
NWGRC COMMUNITY AND ECONOMIC DEVELOPMENT
1 JACKSON HILL -- ROME, GEORGIA 30161

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Map of Northwest Georgia



Introduction

The Northwest Georgia Comprehensive Economic Development Strategy (CEDS) is a strategy-driven plan for regional economic development. The Northwest Georgia Regional Commission (as the local Economic Development District) develops, implements, and revises the CEDS with assistance from the CEDS Strategy Committee. The Regional Commission receives Planning Investment Funds from the U.S. Department of Commerce's Economic Development Administration (EDA) to complete this document.

The Northwest Georgia's Economic Development Strategy for the period of 2017-2022 (five-year strategic economic development plan for the region) was submitted in September 2017. This annual report provides updates for those strategic areas identified in that plan, as well as a general discussion of conditions and circumstances encountered in Northwest Georgia over the past year.

Due to the COVID-19 Pandemic, 2020 was a challenging year for the regional commission and our local communities alike. The pandemic's impacts could be felt in all sectors of the region's economy. The regional unemployment rate topped 12% before recovery began in mid-year. Northwest Georgia ended 2020 with a regional unemployment rate just over 4%; however, many sectors of the economic are still struggling with the hospitality and tourism industries being hardest hit.



Northwest Georgia Regional Overview

Overview

The Northwest Georgia Regional Commission's district consists of 15 counties (Bartow, Catoosa, Chattooga, Dade, Fannin, Floyd, Gilmer, Gordon, Haralson, Murray, Paulding, Pickens, Polk, Walker, and Whitfield) and the forty-nine cities located within these counties. The region is predominantly rural but continues to see substantial growth due to its proximity to Atlanta and Chattanooga. The Interstate 75 corridor runs north-south through the eastern part of the Region connecting these two metropolitan areas.

Geography

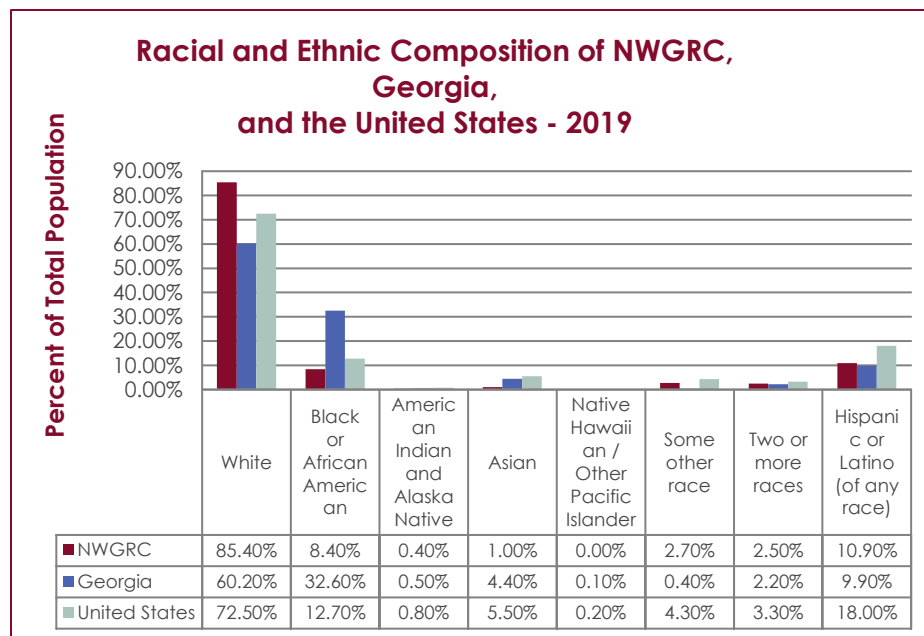
Northwest Georgia is located in the southern foothills of the Appalachian Mountains in Georgia's Ridge and Valley, Blue Ridge Mountains, and Piedmont geographical regions. The region consists primarily of rolling hills with valleys and tall hills, ridges, and mountains running primarily north-south.

Demographic

The estimated population of northwest Georgia was 898,355 in 2019, which is on par with the projected population of 919,120 by 2021. The median age in the region is 38.1 years in 2018, which is also on par the projection of a median age of 39.1 by 2021.

Industry Mix

During 2020, the service-providing segment of the economy accounted for 56.4% of jobs in the region, the goods-producing segment accounted for 27.9% of jobs, and the government segment accounted for 15.5 percent of the jobs in Northwest Georgia. However, manufacturing was the largest single industry sector in the region making up 23.4% of all jobs. *The chart on the following page shows the industry mix for Northwest Georgia for the 2nd Quarter of 2020.*



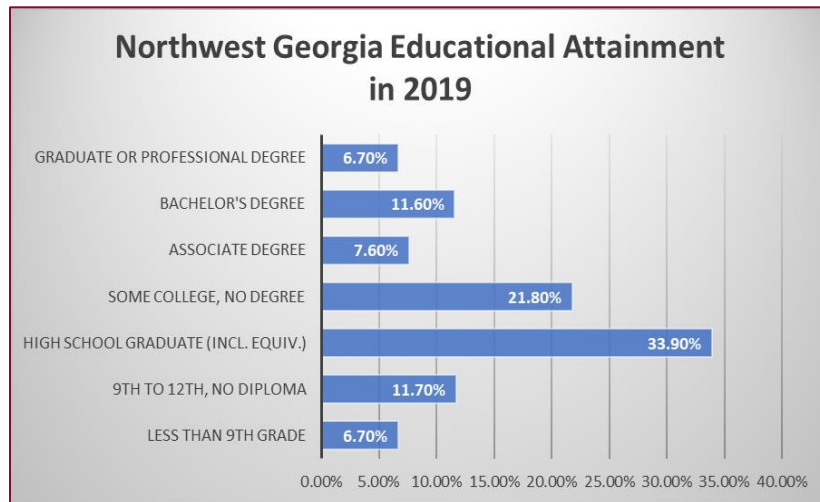
Industry Mix – Northwest Georgia 2nd Quarter 2020

INDUSTRY	Average Number of Establishments	Average Monthly Employment	Average Monthly Percent	Average Weekly Wages
Goods-Producing	2,885	68,966	27.9	889
Agriculture, Forestry, Fishing & Hunting	128	1,034	0.4	724
Mining	26	542	0.2	1,106
Construction	1,597	9,491	3.8	927
Manufacturing	1,134	57,899	23.4	884
Service-Providing	11,857	139,648	56.4	742
Utilities	26	1,222	0.5	1,594
Wholesale Trade	845	9,979	4.0	958
Retail Trade	2,597	32,958	13.3	565
Transportation and Warehousing	454	9,197	3.7	928
Information	122	1,272	0.5	1,023
Finance and Insurance	826	5,061	2.0	1,081
Real Estate and Rental and Leasing	572	2,005	0.8	849
Professional Scientific & Technical Svc	1,234	7,413	3.0	1,108
Management of Companies and Enterprises	38	702	0.3	1,566
Admin., Support, Waste Mgmt, Remediation	848	10,333	4.2	594
Education Services	103	1,917	0.8	922
Health Care and Social Assistance	1,556	29,309	11.8	959
Arts, Entertainment, and Recreation	196	1,947	0.8	449
Accommodation and Food Services	1,438	21,437	8.7	318
Other Services (except Public Admin.)	1,002	4,895	2.0	698
Unclassified - industry not assigned	806	581	0.3	832
Total - Private Sector	15,548	209,195	84.5	790
Total - Government	765	38,402	15.5	837
Federal Government	121	1,490	0.6	1,207
State Government	254	5,644	2.3	756
Local Government	390	31,268	12.6	834
ALL INDUSTRIES	16,313	247,597	100.0	798

Education

Improved high school graduation rates is an important first step in ensuring the region has a skilled workforce, but it is also essential for the labor force to have an ample number of workers with advanced training, certifications, and degrees. Educational attainment is up for the region from 2015. The region's 25 year and older population who have obtained a high school diploma or higher in 2019 is just over 81%. *Graduate or professional degree* rose 0.03% to 6.70%, those with a *bachelor's degree* rose 0.9% to 11.60%, *Associate Degree* along with *Some College* rose 0.7% to 7.60% and 21.80%. *High School Graduate* dropped -0.5% to 33.90%

While 2019 Four-Year Graduation Rate decreased by 2 in class size for the region, *Total Graduated* and *Graduation Rate* increased from 8,972 in 2015 to 9,664 in 2019 and 83% in 2015 to 91% in 2019.



Georgia Department of Education 2019 Four-Year Graduation Rate			
System Name	Graduation Class Size	Total Graduated	Graduation Rate
Bartow County	971	866	89.2%
Catoosa County	811	709	87.4%
Chattooga County	220	192	87.3%
Dade County	140	113	80.7%
Fannin County	197	185	93.9%
Floyd County	639	596	93.3%
Gilmer County	301	278	92.4%
Haralson County	213	207	97.2%
Murray County	442	420	95.0%
Paulding County	2,312	2,052	88.8%
Pickens County	299	278	93.0%
Polk County	537	441	82.1%
Walker County	634	560	88.3%
Whitfield County	978	849	86.3%
Bremen City	195	192	98.5%
Calhoun City	258	253	98.1%
Cartersville City	311	281	90.4%
Chickamauga City	106	104	98.1%
Dalton City	658	537	81.6%
Rome City	480	448	93.3%
Trion City	106	103	97.2%
Norwest Georgia Region	10,808	9,664	91.0%

Source: Georgia Department of Education

Northwest Georgia COVID-19 Impact and Response

COVID-19 Impact on the Economy

The following charts detail the monthly unemployment rate at the onset of the COVID-19 Pandemic, Ten Largest Employers in Northwest Georgia (four of which are medical facilities), *Economic Distress* for the northwest Georgia region and the individual counties, as compared to the United States, and, finally, the *Weekly UI Claims* by county.

Economic Distress

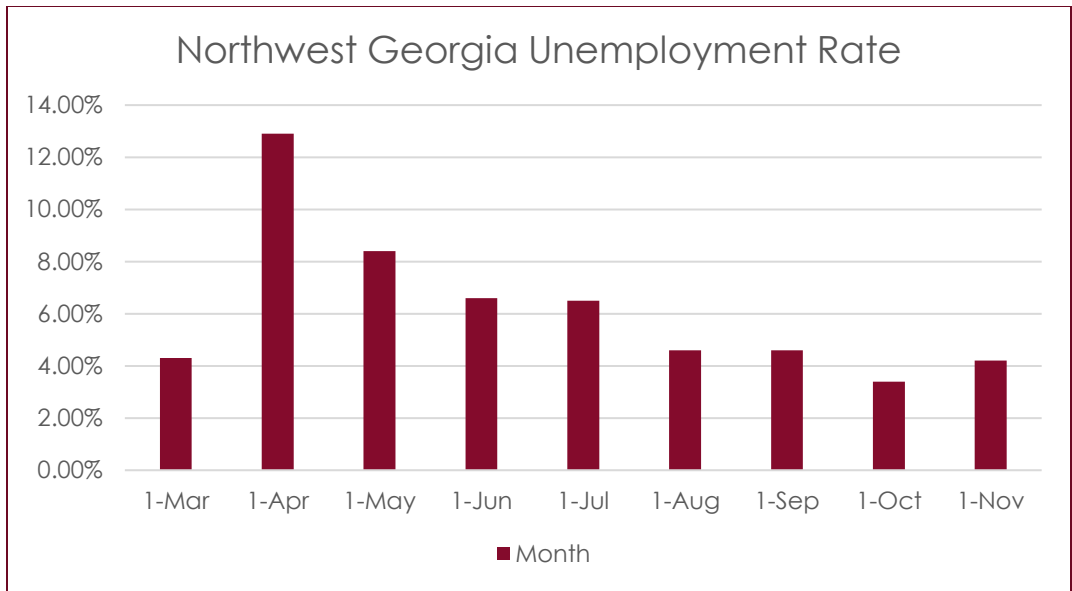
The Northwest Georgia Economic Development District is performing below the national average in each of the economic distress criteria. This indicates that, although the region has recovered from the Great Recession, northwest Georgia has still not achieved socioeconomic parity with the nation. In March 2020, Governor Brian Kemp issued stay-at-home orders due to the onset of the COVID-19 Pandemic. The stay-at-home orders had a significant impact on the economy, as the monthly unemployment rate details.

Unemployment Rate and Economic Distress

The 24 Month Unemployment Rate for Northwest Georgia is 5.56%, which is 0.17% lower than the national rate. Four counties in the region (Catoosa, Dade, Fannin, and Pickens) have a 24-month unemployment rate of less than 4%. Five counties have 24-month unemployment rates of over 6%, and the county with the highest 24-month rate is Murray County, which has a rate of approximately 7%. The 2019 Per Capita Personal Income calculated by the U.S. Bureau of Economic Analysis (BEA) for the region is \$37,683, which is only 66.7% of the national average. None of the fifteen counties in Northwest Georgia has a per capita personal income equal to, or greater than, the national per capita income of \$56,490.

Ten Largest Employers in Northwest Georgia

The Georgia Department of Labor's Area Labor Profile lists the ten largest employers for northwest Georgia. Of those ten employers, four of those are medical facilities (Floyd, Hamilton, Redmond, and Wellstar).



- ### Ten Largest Employers in Northwest Georgia
1. Engineered Floors
 2. Floyd Healthcare
 3. Hamilton Medical Center
 4. Meggitt (Rockmart), Inc.
 5. Mohawk Carpet Distribution
 6. Redmond Regional Medical Center, Inc.
 7. Roper Corporation
 8. Shaw Industries Group
 9. Walmart
 10. Wellstar Health System

Economic Distress Criteria — Geographic Components			
	24 Month Unemployment	2019 Per Capita Personal Income (BEA)	2019 Per Capita Money Income (5-year ACS)
United States	5.73 %	\$56,490	\$34,103
Northwest Georgia	5.56 %	\$37,683	\$25,753
Bartow County	4.60 %	\$39,505	\$18,989
Catoosa County	3.58 %	\$36,399	\$18,009
Chattooga County	6.21 %	\$31,577	\$14,508
Dade County	3.60 %	\$34,639	\$16,127
Fannin County	3.78 %	\$37,385	\$16,269
Floyd County	4.85 %	\$39,314	\$17,808
Gilmer County	4.16 %	\$35,576	\$17,147
Gordon County	4.30 %	\$35,557	\$17,586
Haralson County	4.43 %	\$37,582	\$15,823
Murray County	6.23 %	\$30,964	\$16,230
Paulding County	4.05 %	\$38,978	\$19,974
Pickens County	3.80 %	\$48,493	\$19,774
Polk County	4.67 %	\$34,055	\$15,617
Walker County	4.11 %	\$34,078	\$15,867
Whitfield County	5.77 %	\$39,927	\$18,515

Sources: U.S. Bureaus of Census, Labor Statistics, and Economic Analysis; Calculations generated by StatsAmerica.

Weekly UI Claims

With the onset of the COVID-19 Pandemic and stay-at-home orders from Governor Brian Kemp, several industry sectors closed which prompted layoffs. The Georgia Department of Labor provided weekly unemployment claims for each county in the northwest Georgia region, based on 2-digit NAICS codes. The line graph above details those weekly claims for each of NWGRC's 15-counties from March 4 – November 14, 2020.

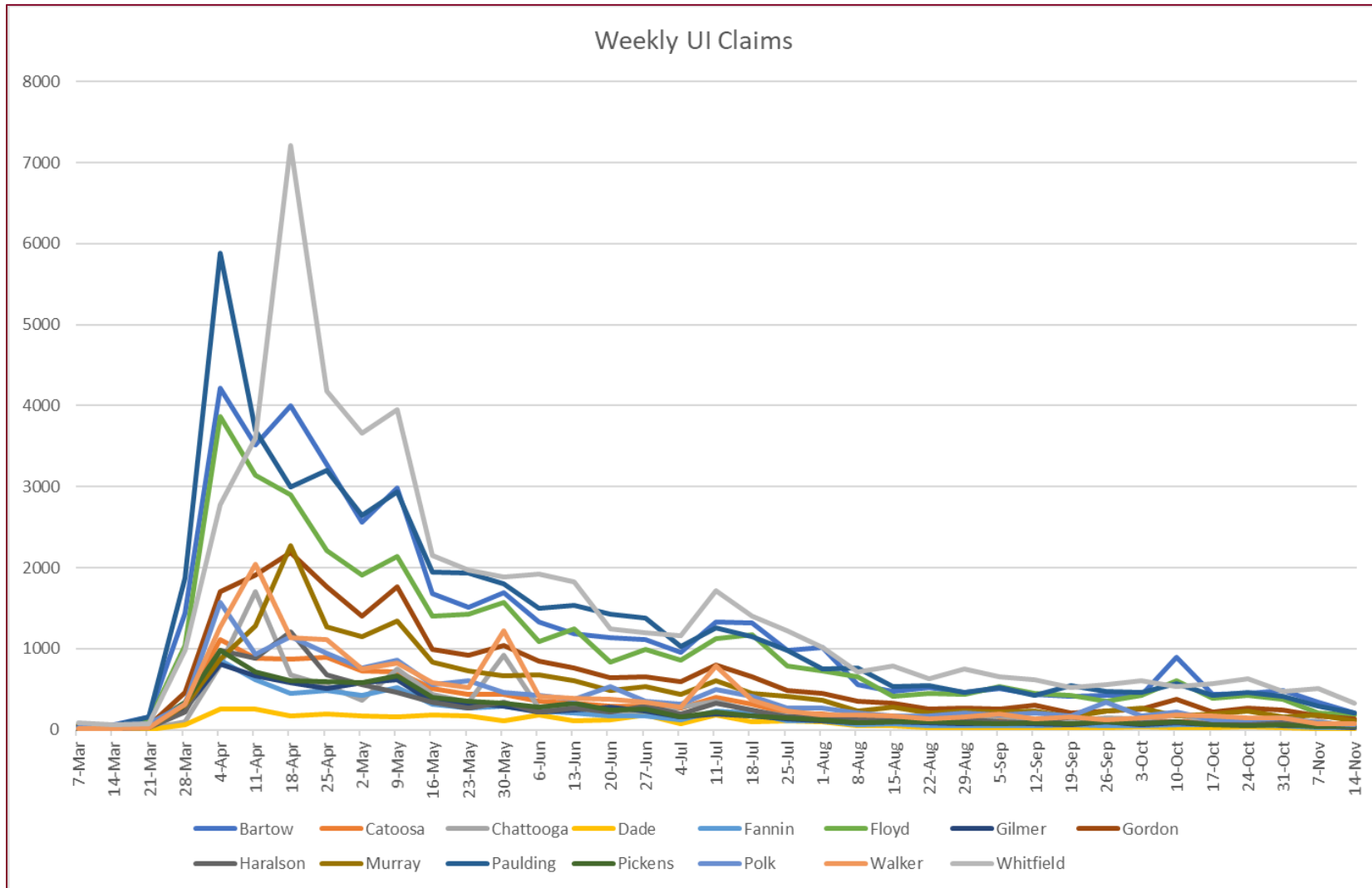
According to the data from the GA Department of Labor; Bartow, Chattooga, Dade, Floyd, Gordon, Murray, Polk, Walker and Whitfield had the highest number of unemployment claims in the Manufacturing sector. All nine counties had a total of 222,136 unemployment claims from the week of March 4 – the week of November 14. Of those, 83,451 claims came from the Manufacturing industry sector.

Catoosa, Fannin, Gilmer, Haralson, Paulding, and Pickens counties had the highest number of unemployment claims in the Accommodation and Food Service sector. All six counties had a total of 91,646 claims from the week of March 4 – the week of November 14. Of those, 3,552 claims came from the Accommodation and Food Service sector.

Counties saw the highest number of unemployment claims toward the beginning of the stay-at-home orders, typically around the weeks of April 4 – April 18 and then the claims gradually declined, especially from mid-to-late May onward. However, some counties did experience steady bumps in weekly claims through the year. Bartow County saw its highest number of claims the week of April 18 for a total of 4,222 but claims hit a peak again for the county the week of October 10 at 901. Walker saw its peak at 2,043 claims the week of April 11 and then hit two peaks the week of May 30 (1,216) and the week of July 11 (790). Floyd and Whitfield Counties saw claims go up and down from April to July and finally hit a downward trajectory.

** Please see Weekly Initial Unemployment Insurance Claims graph on the following Page.*

Weekly Initial Unemployment Insurance Claims



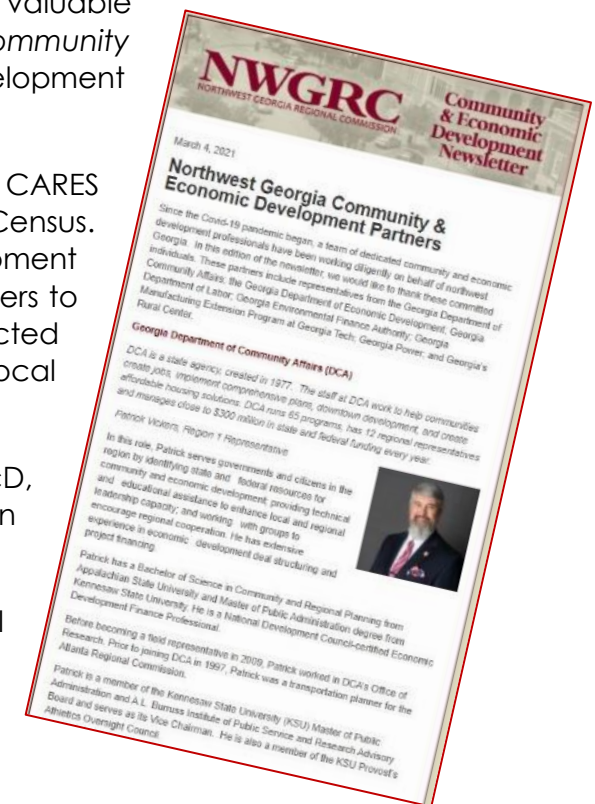
COVID – 19 Response

In early March, Georgia Governor Brian Kemp issues a stay-at-home order for all Georgians in response to the onset of the COVID-19 Pandemic. The NWGRC staff began working from home and to have continued, consistent, and efficient communication with NWGRC's 15 counties and 49 cities, the Community and Economic Development Manager made the decision to use the *NWGRC Community and Economic Development Newsletter* as a platform to guide that communication. The Community and Economic Development team significantly increased communication with northwest Georgia local governments to disseminate information regarding the impact of COVID-19, any assistance to be available, and provide NWGRC's state and federal partners the platform to share valuable information with the region. This was achieved through increased publication of the *Community and Economic Development Newsletter* and weekly calls with region economic development partners, led by Georgia Power.

Newsletters consisted of informative articles which detailed various topics such as the CARES Act, the Economic Injury Disaster Loan, and the importance of completing the 2020 Census. Beginning on March 20, 2020 until early June, the Community and Economic Development Team published 22 newsletters and continues to publish on a weekly basis. Subscribers to the newsletters increased from 93 in early 2018 to 274 in 2020. Subscribers include elected officials, city and county staff, and directors of development authorities and local chambers of commerce.

Weekly regional calls provided the opportunity for agencies such as DCA, GDEcD, Georgia DOL, and the Technical College System of Georgia to share any updates on how perspective agencies and the State was responding to COVID19.

The results of the increased newsletters and weekly region calls included the local governments contacting the Community and Economic Development Team to request grant assistance and project development with economic recovery from the COVID-19 Pandemic. Likewise, local governments have had the opportunity to learn more about northwest Georgia's state and federal partnerships.



Regional Vision, Goals, and Strategies

Northwest Georgia's Economic Development Strategy (CEDS) establishes a regional vision and regional economic development goals for northwest Georgia.

Regional Vision

Northwest Georgia strives to become a region where economic opportunities are available for all citizens; where our natural resources are used wisely and conserved for future generations; where community facilities and services support the needs of everyone; where cooperation among the public, private, and non-profit sectors is common-place, and where citizens have opportunities to enjoy a healthy and productive life.

Regional Goals & Strategies

Matching the themes identified in the SWOT Analysis, the regional goals in Northwest Georgia's Comprehensive Economic Development Strategy are organized into four broad categories: human capital, community assets, essential infrastructure, and business climate. The goals for each category are listed below.

Regional Goals at a Glance

Human Capital

- **Workforce Skills:** Increase the number of residents skilled in advanced manufacturing (and other middle- skill, living wage occupations) in order to meet current and changing needs of northwest Georgia employers.
- **Educational Attainment:** Increased number of residents that have high school diplomas, have graduated from College and Career Academies, and have received post-secondary certificates or degrees.
- **Human Services:** Ensure appropriate human services are available to meet the needs of the region's current and future workforce.

Community Assets

- **Tourism and Film Industry:** Unfortunately, tourism and the film industry took hit during the onset of the COVID-19 Pandemic. Many of the counties in the region depend on tourism for economic development. While tourism and film are slowly starting to come back to the State and region, the impact on the economy has been vast.
- **Quality of Life:** Enhance quality of life amenities in the region to retain talent and gain a competitive advantage when recruiting new businesses and industry.
- **Housing:** Ensure adequate housing is available to meet the needs of the northwest Georgia workforce, which is

Essential Infrastructure

- **Industrial Properties:** Ensure northwest Georgia has sufficient, ready to develop industrial properties available to meet the region's current and future needs.
- **Transportation:** Advocate for transportation projects that are critical for regional economic development.
- **High Speed Internet:** Increase coverage and accessibility of high-speed internet for residential, commercial, and industrial areas, with a focus on rural areas.
- **Traditional Infrastructure:** Ensure communities in the region have adequate basic infrastructure to implement their community and economic development objectives.

Business Climate

- **Improved Business Climate:** Increase entrepreneurship and innovation by supporting business development in existing and emerging sectors.

Performance Measures Update

Northwest Georgia's Economic Development Strategy (CEDS) adopted performance measure to assess the region's progress in implementing the adopted strategies. Primary evaluation criteria were established in the CEDS and includes private sector jobs created/retained, private investment, number and types of businesses/industries assisted, and the economic environment of the region. Specific performance measures used to measure success for identified goals in this Annual Update include the following.

Human Capital

- **Workforce Skills:** NWGRC houses the region's Workforce Innovation and Opportunity Act (WIOA) program, which provides education, training and employment opportunities for individuals in Northwest Georgia. This program assisted 728 adults, 153 dislocated workers, 482 youths, and 88 incumbent workers for a total of 1,451 workers trained.
- **Educational Attainment:** In 2019, northwest Georgia saw an increase in educational attainment from 2017. Graduate/professional degree attainment increased 0.30%, Bachelor's degree and Associate Degrees increased 0.90% each, and some college/no degree increased 0.70%. High School Graduates saw a decrease of 0.50%.

In the region, the 2019 Four-Year Graduation Rate reflected a 692 increase in *Total Graduates* and an 0.08% increase in the *Graduation Rate*. However, the *Graduation Class Size* decreased by 2 students.

- **Human Services:** In 2020, new human services programs were aimed at addressing the COVID-19 Pandemic. Federal programs included enhanced medical assistance, new testing centers, expanded unemployment benefits, additional rental assistance, etc. NWGRC deiminated information on relevant programs through social media posts and newsletter articles.

Community Assets

- **Tourism and Film Industry:** Tourism and the film industry combined is a \$70 billion asset for the State of Georgia. The northwest Georgia region is made up of multiple counties that rely on tourism as an economic driver and the area has been a location of multiple film/tv productions. Unfortunately, the film and tourism industries suffered significant losses in 2020 due to the COVID-19 Pandemic. The industry is not expected to fully recover in 2021.

Many of the counties in the region depend on tourism for economic development. While tourism and film are slowly starting to come back to the State and region, the impact on the economy has been vast.

- **Quality of Life:** With the onset of the COVID-19 Pandemic, it was important that hospitals, nursing homes, and other medical facilities received PPE. Through efforts from the State, facilities in our region were able to obtain those items. In early 2021, northwest Georgia facilities began vaccinating the medical professionals, first responders, and the elderly population.
- **Housing:** Despite the ongoing pandemic, the housing market grew in 2020 with new developments taking place throughout the region that will provide housing that is affordable, decent, and safe.

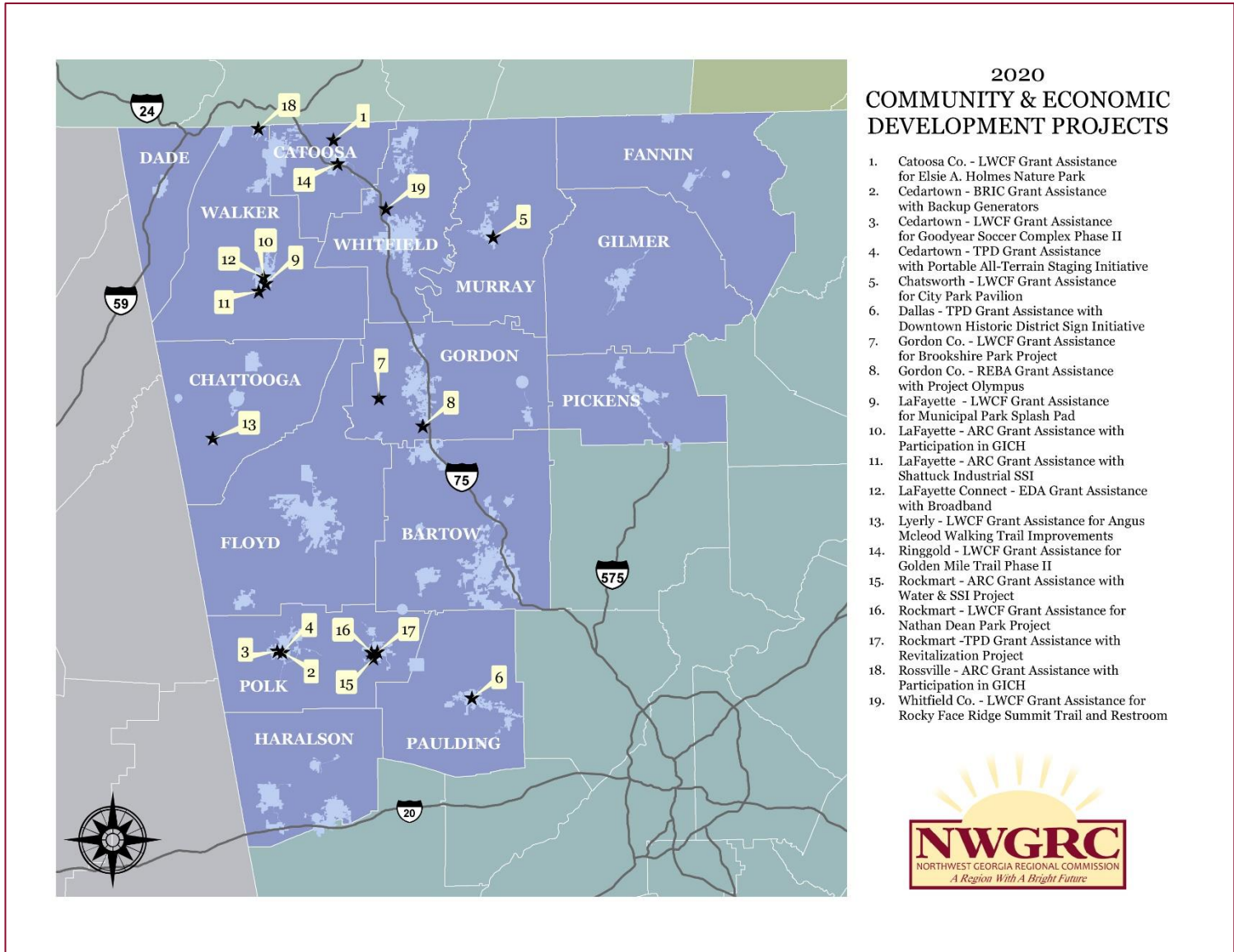
Essential Infrastructure

- **Industrial Properties:** NWGRC worked with several communities in 2020 to identify funding sources to assist with providing infrastructure to new or expanding industrial parks.
- **High Speed Internet:** As students and the workforce were home early in the Pandemic, broadband became an increasing concern. Not every student in the region has adequate access to broadband to complete school assignments and participate on a virtual platform. To assist, multiple schools in the region began providing portable broadband devices. Students had the ability to check out these devices for a specific number of days and return.
- **Traditional Infrastructure:** In 2020, NWGRC assisted three communities with identifying and applying for funding assistance to expand or enhance water and/or sewer Infrastructure necessary for these communities to implement their community and economic development objectives.

Business Climate

- **Improved Business Climate:** The economic impact from the coronavirus severely affected many our region's small businesses. In response, the regional commission applied for and received funding to establish the NWGRC's Covid-19 Relief Revolving Loan Fund. The program small businesses by providing low-cost financing of up to \$50,000 for small businesses negatively affected by the Covid-19 pandemic.

NWGRC Assistance Provided in 2020



Human Capital

NWGRC Community and Economic Development Newsletter was and continues to be an important tool to our local governments in meeting the human capital goal. When Georgia Governor Brian Kemp issued stay-at-home orders, the workforce and students needed a way to be able to complete work and assignments. The Community and Economic Development Team published a newsletter for the local governments providing information on DCA's Broadband Maps. Provided in the map is locations with broadband access. This was important during the stay-at-home orders for the workforce and for students of all educational grades to know the broadband availability to complete work and assignments. As the stay-at-home orders were lifted, many in the workforce continue to work from home and schools in the region have experienced periods of virtual learning.

The Northwest Georgia Regional Commission (NWGRC) was awarded a two-year, \$400,000 grant as part of CARES Act Recovery. NWGRC will utilize these funds to develop strategies for northwest Georgia's economic recovery and hire a regional economic recovery coordinator.

- EDA PWEAA - CARES Act Recovery Assistance - \$400,000 (Funded)

NWGRC also assisted local governments applying for and participating in the Georgia Initiative for Community Housing (GICH), including preparing grant applications for funding assistance.

- LaFayette's Participation in GICH - \$7,558 Not Funded (Total \$15,116)
- Rossville's Participation in GICH - \$5,898 Not Funded (Total \$11,796)

Human Capital

Workforce Skills: Increase the number of residents skilled in advanced manufacturing (and other middle - skill, living wage occupations) in order to meet current and changing needs of northwest Georgia employers.

Educational Attainment: Expand the number of students in the region that are prepared for future employment in skilled and professional positions through enhanced educational opportunities and active career counseling.

Human Services: Ensure appropriate human services are available to meet the needs of the region's current and future workforce.

Community Assets

The Northwest Georgia Community and Economic Development team worked with communities in developing projects and preparing grant applications to develop or preserve community assets. In the past year, grant applications were for Tourism Product Development (TPD) and Land and Water Conservation Funds (LWCF).

Tourism Product Development (TPD)

- Cedartown Portable All-Terrain Staging Initiative - \$9,537.87 Funded (Total \$18,975.72)
- Downtown Dallas Historic District Sign Initiative - \$8,875.00 Funded (Total \$17,750.00)

Land and Water Conservation Fund

- Brookshire Park - \$175,000 Funded (Total \$350,000)
- Golden Mile Trail Phase II - \$200,000 Funded (Total \$400,000)
- Goodyear Soccer Complex Phase II - \$345,000 Funded (\$690,000)
- LaFayette Municipal Park Splashpad - \$122,500 Funded (\$245,000)
- Nathan Dean Park Project - \$126,500 Funded (\$253,000)
- Rocky Face Ridge Summit Trail and Restroom - \$50,000 Funded (\$100,000)

Community Assets

Tourism and Film Industry:

Increase tourism, visitor spending, and revenue earned from the film industry in northwest Georgia.

Quality of Life: Enhance quality of life amenities in the region to retain talent and gain a competitive advantage when recruiting new businesses and industry.

Housing: Ensure adequate housing is available to meet the needs of the northwest Georgia workforce, which is affordable, decent, and safe.

Essential Infrastructure

Four applications were submitted to the Appalachian Regional Commission for funding consideration. Of those four, two of those projects were funded and meet the regional goal of essential infrastructure in the region.

Appalachian Regional Commission Local Development

- Rockmart Water & Sewer System Improvements - \$600,000 Funded (Total \$1,500,000)
- LaFayette Shattuck Industrial Sewer System Improvements \$600,000 Funded (Total \$1,300,000)

EDA Public Works and Economic Adjustment Assistance

- LaFayette Connect - \$4,320,564 (Total \$5,400,705)

GEMA Building Resilient Infrastructure and Communities

- Cedartown Backup Generators \$373,400 Pending (Total \$560,100)

Essential Infrastructure

Industrial Properties: Ensure northwest Georgia has sufficient, ready to develop industrial properties available to meet the region's current and future needs.

Transportation: Advocate for transportation projects that are critical for regional economic development.

High Speed Internet: Increase coverage and accessibility of high-speed internet for residential, commercial, and industrial areas, with a focus on rural areas.

Traditional Infrastructure: Ensure communities in the region have adequate basic infrastructure to implement their community and economic development objectives.

Business Climate

The OneGeorgia Authority is a financial partner for communities in Georgia to assist qualified applicants in bringing economic development opportunities to the State. A OneGeorgia EDGE application was submitted on behalf of Murray County for site preparations to secure business investment in the community.

- OneGeorgia EDGE - \$300,000 (Funded) – 100 Jobs to be Created/\$32,500,000 in Private Investment.

Regional Economic Business Assistance (REBA) is an incentive program that helps to bring companies to Georgia communities. A REBA application was submitted on behalf of Gordon County to develop a floor manufacturing facility.

- REBA - \$1,200,000 (Funded) – 300 Jobs to be Created/\$60,000,000 in Private Investment.

Business Climate

Improved Business Climate: Increase entrepreneurship and innovation by supporting business development in existing and emerging sectors.

Northwest Georgia's Economic Development Strategy

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