

CHAPTER 1: INTRODUCTION

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CHAPTER 2: GROWTH TRENDS

What are the emerging trends?

2.1 In Surry County

Even though Surry County’s growth rate has been lower than that of the State, the County has had consistent population growth throughout the 20th century. The 1970’s and 1990’s were periods of high growth for the County, 15.6% and 15.4% respectively, and most likely attributed to the sprawling residential development pattern out of Forsyth County and the City of Winston-Salem.

Since the year 2000, Surry County has seen a much sharper decline in population growth than the State. Between 2000 and 2010 the County only grew by 3.4% while the State grew by 18.5%. Between 2010 and 2015 the County actually saw a slight decline in population from 73,673 people in 2010 to 73,195 people in 2015. During the same time, the State continued to grow by 5.5%.

Figure 1: Growth Rates for Surry County & the State, 1900-2015

Year	SURRY COUNTY			STATE
	Population	Change	Percent Change	Percent Change
1900	25,515	-	-	-
1910	29,705	4,190	16.4%	16.5%
1920	32,464	2,759	9.3%	16.0%
1930	39,749	7,285	22.4%	23.9%
1940	41,783	2,034	5.1%	12.7%
1950	45,593	3,810	9.1%	13.7%
1960	48,205	2,612	5.7%	12.2%
1970	51,415	3,210	6.7%	11.6%
1980	59,449	8,034	15.6%	15.7%
1990	61,704	2,255	3.8%	12.7%
2000	71,219	9,515	15.4%	21.4%
2010	73,673	2,454	3.4%	18.5%
2015	73,195	-478	-0.6%	5.5%

Surry County is the 36th most populous county in North Carolina (out of 100); the 34th largest county in terms of land area (532 square miles); and ranks 44th for population density (137.5 people per square mile in 2015).

Surry County is classified as one of the 80 rural counties in the State by the NC Rural Center. In 2015 the County was classified as a Tier I county, one of the most distressed counties in the State in terms of low average unemployment rates, median household income, population growth and property tax base per capita. However in 2016 it was moved to a Tier II county, meaning that the State considers the County less distressed in these areas.

2.2 Northwest North Carolina

Besides Forsyth County, Surry County is the most populous among the northwest counties. However, Surry County saw the lowest population percent change between 2000 and 2010. All of the northwest counties saw a decline in population growth between 2010 and 2015. Forsyth, Watauga and Alleghany counties are the only northwest counties projected to have any population growth over the next 20 years.

Figure 2: Northwest County Comparison

	Land Area (Sq. Miles)	2015 Population	2015 Population Density	2000-2010 Population Change	2010-2015 Population Change	2015 Median Age	2015 Percent Hispanic
SURRY	532	73,195	138	3.4%	-0.6%	42.5	10.0%
Alleghany	235	11,190	48	4.5%	0.3%	46.9	9.3%
Ashe	426	27,332	64	11.9%	0.2%	46.8	5.1%
Forsyth	408	366,543	898	14.6%	4.5%	37.6	12.4%
Stokes	449	46,763	104	6.0%	-1.3%	44.6	2.8%
Watauga	313	53,737	172	19.6%	5.2%	29.3	3.5%
Wilkes	754	69,663	92	5.6%	0.5%	43.9	5.8%
Yadkin	335	37,705	113	5.7%	-1.8%	43.0	10.5%
STATE	48,618	10,056,683	207	18.5%	5.5%	38.3	8.8%

2.3 State

North Carolina is now the 9th most populous state in the United States, with a population estimate of 10,146,788 in 2016. North Carolina is projected to grow 21% in the next 20 years, bringing its total population to over 12 million people.

2.4 Municipalities

In 2015, 23.8% of Surry County's population lived in one of the four municipalities. This percentage has been increasing slight since 1980, when only 20.1% lived in the municipal limits. As with the County trend, each municipality has seen minimal growth in recent years.

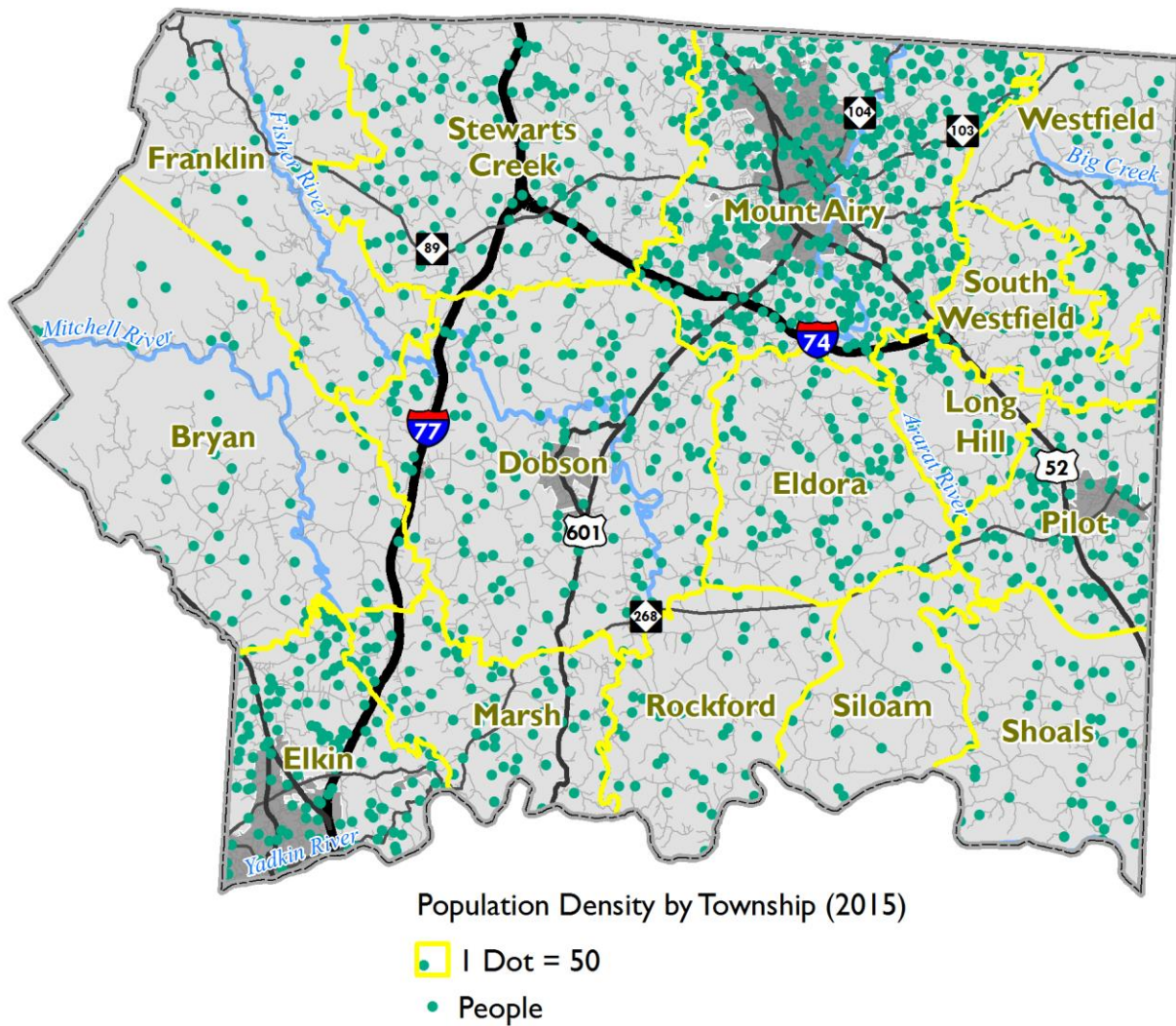
Figure 3: Population in the Municipalities, 1990-2015

Year	1990	2000	2010	2015
SURRY COUNTY	61,704	71,219	73,673	73,195
Dobson	1,195	1,457	1,586	1,632
Elkin (part)	3,720	4,036	3,921	3,941
Mount Airy	7,156	8,484	10,388	10,361
Pilot Mountain	1,181	1,281	1,477	1,502
Unincorporated Area	48,452	55,961	56,301	55,759

2.5 Distribution of Population

Surry County has maintained a rural identity with 76% of the population living in unincorporated areas. In 2015 there was an average of 137.5 residents per square mile across Surry County. The highest population densities continue to be concentrated in and around the municipal jurisdictions. The County is divided into 15 townships, which vary greatly in size and density. The Mount Airy Township is home to 34% of the County’s total population; the Siloam Township has the fewest County residents with 1.2% of the total County population; but the Bryan Township has the lowest population density with only 34 residents per square mile.

Figure 4: Surry County Population Density by Township, 2015



2.6 Race and Origin

Surry County differs from the State racial composition. Surry County’s population has a higher percentage of white and Hispanic populations and has a much lower percentage of African American population. In 2015, the County’s population consisted of 85% white, 10% Hispanic and 4% African American; whereas the State’s population consisted of only 64% white, 9% Hispanic and 21% African American. Between 2000 and 2015, the County’s total population increased by 1,951 people – just under a 3% increase. During this same time, both the white and African American populations decreased, while the Hispanic population increased by 2,729 people – a 59% increase

Figure 5: Population by Race, Surry County, 2000-2015

Race/ Ethnicity:	2000	2010	2015	Change 2000-2015	
White	62,668	62,611	61,843	-825	-1.3%
African American	2,911	2,644	2,624	-287	-9.9%
Asian	399	339	415	16	4.0%
Hispanic	4,620	7,155	7,349	2,729	59.1%
Other	621	924	939	318	51.2%
TOTAL	71,219	73,673	73,170	1,951	2.7%

Figure 6 Percent of Population by Race, Surry County & NC, 2000-2015

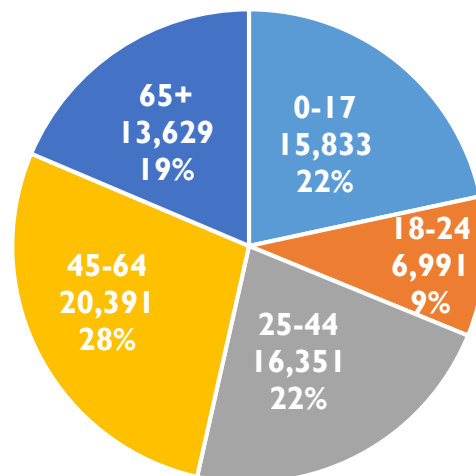
Race/ Ethnicity:	Surry County			STATE		
	2000	2010	2015	2000	2010	2015
White	88.0%	85.0%	84.5%	70.2%	65.3%	64.2%
African American	4.1%	3.6%	3.6%	21.4%	21.2%	21.2%
Asian	0.6%	0.5%	0.6%	1.4%	2.2%	2.5%
Hispanic	6.5%	9.7%	10.0%	4.7%	8.4%	8.8%
Other	0.9%	1.3%	1.3%	2.3%	3.0%	3.3%

2.7 Age

Surry County’s population continues to grow older. The median age of Surry County’s residents increased from 38.0 in 2000 to 41.2 in 2010 and to 42.5 in 2015. The State’s median age (38.3 in 2015) continues to be lower than the County’s, but the aging trend is seen across the entire state.

In 2015, 22% of the County’s population were children under age 18; 19% were older adults age 65 years and older. The younger population has decreased since 2000 while the older population has increased. In 2000, the County’s population consisted of 24% children and 15% older adults.

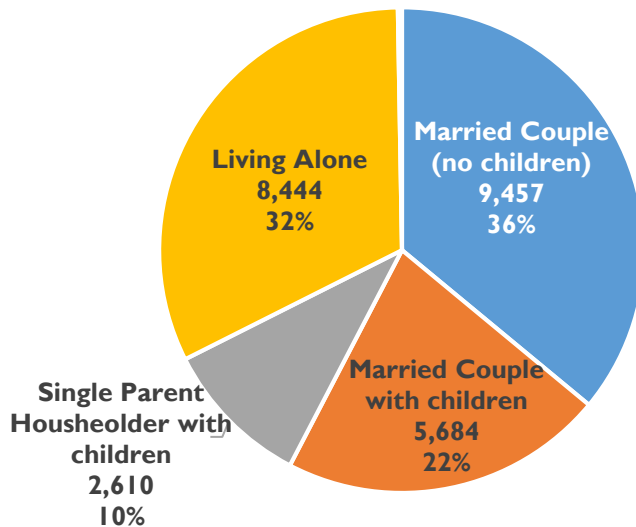
Figure 7: Age Ranges, Surry County, 2015



2.8 Households

The majority of the population (98.6%) lives in a household, while 1.4% of the population lives in group quarters. There are 29,267 households in Surry County. Almost one-third of these households have one or more children under age 18. Individuals living alone make up 32% of all households, 59% of which are women living alone. 10% of households have a single parent householder, of which 77% are single mother households. 22% of households are married couples with children, and 36% of households are married couples without children.

Figure 8: Living Arrangements of Households in Surry County, 2015



2.9 Housing

The average home in Surry County is a single family, owner occupied residence with 2.47 occupants. The median home value in 2015 was \$115,500 for owner occupied units, up from \$103,700 in the year 2000, but still lower than the state median value of \$154,900. Homes built after year 2000 have a much higher value (median value is over \$180,000). About 11% of the homes in Surry County have been built since year 2000. Over half (54%) of the homes in Surry County were built before 1980.

In 2015, there were an estimated 33,565 total housing units in Surry County. This statistic comes from the American Community Survey and is actually lower than the 2010 Decennial Census statistic of 33,667 housing units.

The vacancy rate has been increasing across the County. In 2015, 12.8% of all housing units were vacant, while the rate was only 6.8% in 1990. The renter rate of occupied housing units has increased slightly in the county. In 2015, 27.9% of all occupied units were resided by renters, up from 23.4% in 1990. Both the renter rate and vacancy rate in Surry County are below the State averages of 14.5% vacancy rate and 34.9% renter rate.

Figure 9: Occupancy & Tenure of Housing Units in Surry County, 1990-2015

	1990		2000		2010		2015	
Housing Units	26,022		31,033		33,667		33,565	
Occupied	24,252	93.2%	28,408	91.5%	29,914	88.9%	29,267	87.2%
Owner	18,580	76.6%	21,687	76.3%	21,746	72.7%	21,094	72.1%
Renter	5,672	23.4%	6,721	23.7%	8,168	27.3%	8,173	27.9%
Vacant	1,770	6.8%	2,625	8.5%	3,753	11.1%	4,298	12.8%

About 68% of Surry County’s housing stock is composed of single family housing units; 8% of multi-family units; and 24% mobile homes. These percentages have remained relatively constant since 2000. According to the census building permit database, 762 single family units were built between 2010 and 2016 with an average value of \$207,369. In this same time, one duplex has been built with a value of \$225,000; along with an additional 181 multi-family units.

Primary Heating Sources

In 2015, 66.6% of owner occupied housing units were heated with electricity, 15.3% with fuel oil or kerosene, and 9.4% with bottled or tank gas, and 4.9% were heated with wood or other fuels. 1% of these units used no fuel at all. Since 2010, the use of electricity to heat homes has increased while other means have decreased slightly as new homes are built.

Substandard Housing

People living in crowded conditions are defined as units having more than one person per room. The overcrowding statistic has been declining in Surry County from 3.3% in 2000 to 2.7% in 2015. 3.5% of all housing units lack complete plumbing in 2015, down from 4.1% in 2010. 3% of all housing units lack complete kitchen facilities in 2015, down from 4.4% in 2010.

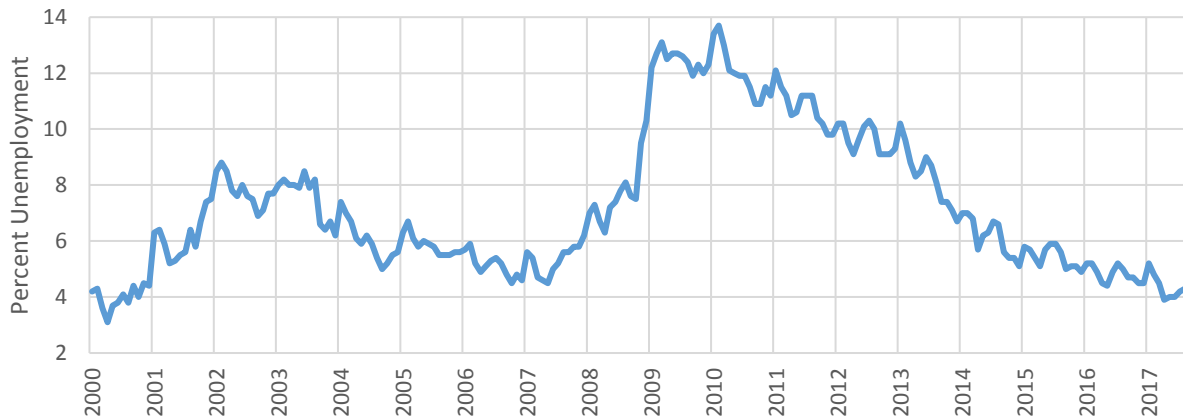
2.10 The Local Economy

Surry County has seen a 23% decline in jobs since 2000. In 2000, there were 36,439 jobs within the County. As of the first quarter 2017, there are only 28,206 jobs. This shift is mostly due to the loss of manufacturing jobs in the County. This industry alone lost almost 9,000 jobs in this time period (a 69% decline). The local economy, like most of North Carolina, continues to shift to an expanding services sector.

The labor market will remain tight in Surry County, North Carolina and the Southeast. Recruiting and retaining quality workers will play a large role in Surry’s economic success, as will the quality of life that the County can provide for these needed workers. Diversifying the economic base will continue to be a challenge for Surry and surrounding counties.

In August 2017, the unemployment rate was 4.3%. The unemployment rate spiked in 2009-2010, but rates are now back down to those seen in the early 2000’s. The labor force has declined with 37,095 in the workforce in 2000 to 31,585 in August 2017 – almost a 15% loss. Part of this decline was due to the aging workforce and the loss of manufacturing jobs.

Figure 10: Percent Unemployment in Surry County, 2000-2017



Employment by Industry

In 2000, manufacturing was the largest industry sector, with 35% of the County’s jobs. As of the first quarter 2017, manufacturing is now the third largest industry with only 14% of the County’s jobs. Retail trade is now the largest industry sector, but with only 15% of the County’s jobs. Professional and technical services have seen the largest percent change since 2000, growing 51%, but only adding 212 jobs. The healthcare and accommodation/food services industries have added the most jobs, 871 and 886 respectively.

Figure 11: Employment by Industry, 2000-2017

2017 Rank	NAICS Sector	Industry	2000	2007	2017	Change 2000-2017	Percent Change
1	44	Retail Trade	4,302	3,738	4,248	-54	-1.3%
2	62	Health Care and Social Assistance	3,075	3,899	3,946	871	28.3%
3	31	Manufacturing	12,847	6,999	3,935	-8,912	-69.4%
4	23	Construction	3,524	3,228	2,790	-734	-20.8%
5	72	Accommodation and Food Services	1,816	2,257	2,702	886	48.8%
6	48	Transportation and Warehousing	1,847	1,579	1,430	-417	-22.6%
7	92	Public Administration	1,288	1,381	1,402	114	8.9%
8	56	Administrative and Waste Services	1,416	1,452	1,336	-80	-5.6%
9	81	Other Services	899	846	807	-92	-10.2%
10	42	Wholesale Trade	1,230	1,197	673	-557	-45.3%
11	54	Professional and Technical Services	413	547	625	212	51.3%
12	52	Finance and Insurance	563	622	593	30	5.3%
13	51	Information	390	288	261	-129	-33.1%
14	53	Real Estate and Rental and Leasing	177	217	182	5	2.8%
15	11	Ag, Forestry, Fishing and Hunting	129	157	180	51	39.5%
16	71	Arts, Entertainment, and Recreation	241	237	144	-97	-40.2%
	21	Mining	*	*	*		
	22	Utilities	80	*	*		
	55	Management of Companies	*	*	*		
	61	Educational Services	2,098	2,616	*		
	99	Unclassified establishments		49			
		Total Employment	36,439	31,430	28,206	-8,233	-22.6%

*Data unavailable

Wages by Industry

Even though the accommodation/food services industry has added the most jobs since 2000, this industry continues to have the lowest average wages at \$255.54/week (up from \$178.46/week in 2000). The construction industry now has the highest average wages at \$1,165.35/week. The average wage across all jobs in the County is \$688.40/week, compared to the state average of \$991.79/week.

Largest Employers

According to the NC Department of Commerce, as of the first quarter of 2017, Surry County's largest employer was the Surry County School System with over 1,000 employees. The largest private sector is Pike Electric, also with over 1,000 employees. The largest manufacturing employer is Wayne Farms LLC, a poultry processor. Employment in the textiles and manufacturing has declined dramatically over the past decade.

Figure 12: Top 25 Employers in Surry County, 2017

Rank	Company Name	Industry	Employment Range
1	Surry County Board Of Education	Education & Health Services	1000+
2	Pike Electric Inc	Construction	1000+
3	Wal-Mart Associates Inc	Trade, Transportation, & Utilities	500-999
4	Wayne Farms Llc	Manufacturing	500-999
5	Northern Hospital Of Surry County	Education & Health Services	500-999
6	Hugh Chatham Memorial Hospital	Education & Health Services	500-999
7	Arevo Group Inc	Professional & Business Services	500-999
8	County Of Surry	Public Administration	500-999
9	Surry Community College	Education & Health Services	500-999
10	Renfro Corporation	Manufacturing	250-499
11	Food Lion	Trade, Transportation, & Utilities	250-499
12	Mount Airy City School	Education & Health Services	250-499
13	Lowe's Home Centers Inc	Trade, Transportation, & Utilities	250-499
14	Hanesbrands, Inc	Manufacturing	100-249
15	Smith Rowe Llc	Construction	100-249
16	City Of Mount Airy	Public Administration	100-249
17	Mvp Group International Inc	Manufacturing	100-249
18	Elkin City Schools	Education & Health Services	100-249
19	Fleet Driver Hq Inc	Trade, Transportation, & Utilities	100-249
20	Mountain Valley Hospic & Palliative	Education & Health Services	100-249
21	Leonard Buildings & Truck Access	Manufacturing	100-249
22	Barnhardt Mfg Co Inc	Manufacturing	100-249
23	Carolina Carports Inc	Manufacturing	100-249
24	Blue Ridge Qsc Management Inc	Leisure & Hospitality	100-249
25	Insteel Wire Products Company	Professional & Business Services	100-249

Income Levels

The income levels of Surry households continue to show modest improvement in the past decade. Median household income in Surry increased from \$33,046 in 2000 to \$36,164 in 2015. The mean retirement income in 2015 was \$18,407. In 2015, 34% of the households in Surry County had an annual household income of less than \$25,000. This percentage has been decreasing since 2000, when 37% of households had an annual income of less than \$25,000. The percentage of households earning \$50,000 or more was 29% in 2000; it increased to 37% in 2010, but decreased in 2015 to 36%.

Living in Poverty

In 2015, approximately 19.7% (14,195 people) of the County’s population lived below the poverty level. Across the state, 17.4% of residents live in poverty. The Town of Dobson has a much higher poverty level (38.2%). This statistic is higher for children in Surry County – 26.8% of children (under age 18) live below the poverty level. This statistic is lower for older adults in Surry County – 13.4% of older adults (age 65 years and over) live below the poverty level.

Figure 13: Population in Poverty, 2015

	Total Population	Children (0-17)	Adults (18-64)	Older Adults (65+)
Surry County	19.7%	26.8%	19.0%	13.4%
Dobson	38.2%	46.3%	39.4%	19.4%
Elkin	17.4%	21.9%	16.1%	14.8%
Mount Airy	23.1%	29.4%	22.3%	18.4%
Pilot Mountain	23.9%	33.5%	21.1%	17.4%
Unincorporated Area	18.7%	26.0%	18.0%	11.9%
North Carolina	17.4%	24.7%	16.3%	9.8%

Agriculture

Surry County is an important contributor to agriculture and farming in North Carolina and the region. While development claimed 11.5% of the County’s total farmland between 1997 and 2007, the acreage of farmland actually grew 10.8% between 2007 and 2012 to 126,897 acres of farmland in 2012 (37% of the County). Hay and pasture continue to claim the largest share of Surry’s farmland acres. Soybeans and corn were the next most prevalent in terms of acres harvested. The largest source of farm income is poultry, accounting for 67% of total farm incomes. In recent years, a number of new crops have been harvested in Surry County in efforts to diversify the agricultural sector of the economy. These efforts, while still relatively secondary to the County’s predominate agricultural products, do offer promise and can also act as catalysts in the County’s tourism sector because of their unique status.

Manufacturing

Manufacturing was the dominant industry in Surry County for many decades, but has been in decline. The County’s dependence on textiles and the traditional manufacturing has created a crisis because of the overall downturn in this industry nationwide since the mid-1990’s. The peak of manufacturing employment was in 1994 when there were 16,500 employees in this sector; in 2017, there are only 3,935 employees in this sector.

Tourism

The tourism industry in continuing to grow rapidly in Surry County. Visitors spent \$121 million in Surry County in 2016. The amount spent has more than doubled since the year 2000. In 2016, the tourism industry employed about 840 people in the County and generated a payroll of \$18 million. State and local tax revenues from travel to Surry County amounted to \$9.4 million in 2016.

In 2009, the Surry County Tourism Development Authority was established to promote travel and tourism in the unincorporated areas of the County. The TDA participates in the Tourism Partnership of Surry County, a collaboration between the County TDA and the four municipal TDA's (Dobson, Elkin, Mount Airy and Pilot Mountain).

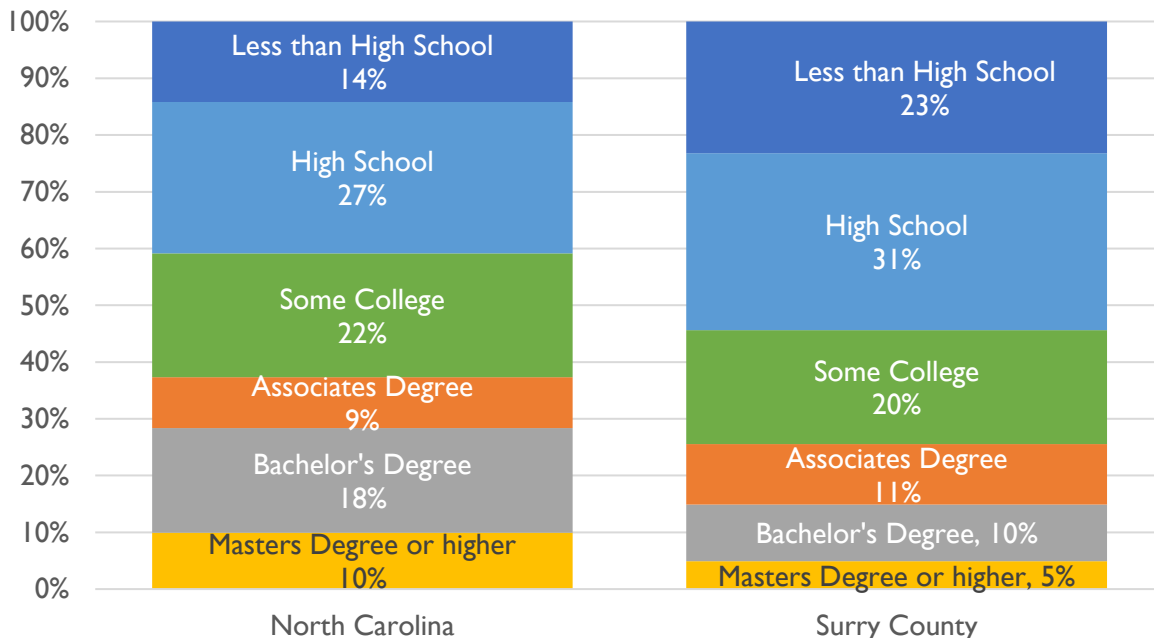
Retail Sales

Surry County saw a peak in retail sales during the 2004-2005 fiscal year with over one billion dollars in retail sales, equating to \$14,542 per capita. Retail sales dropped during the 2005-2006 fiscal year to just under \$626 million (a per capita rate of \$8,663). This drop in sales remained low until the 2009-2010 fiscal year when sales began to slowly increase. Sales are still not where they were in the early 2000's. In the 2016-2017 fiscal year, the County saw just over \$889 million in retail sales (a per capita rate of \$12,329). This statistic is higher than other surrounding counties in the area (except for Watauga), and just under the State per capita rate of \$13,716.

2.1 | Education

In 2015, Surry County citizens overall had a 77% high school graduation or equivalency rate. This statistic has risen dramatically since 2000, when just 67% of the residents had a high school education. However, this statistic still remains considerably lower than the state rate of 86% in 2015. Surry County continues to have a higher percentage of its population without a high school education than all of the other northwestern piedmont counties, except for Wilkes County. 15% of Surry County residents have a Bachelor's degree (compared to 28% across the state). This statistic has risen slower, with just 12% of residents in 2000 with a Bachelor's degree.

Figure 14: Educational Attainment, 2015



Migration?

CHAPTER 3: DEVELOPMENT FACTORS
