**Galax, VA - The Best Pick In Virginia**

Incorporated as a town in 1906, became a City in 1953.
- Population 6,423
- Independent City with full services and our own school system.
- History -
  - Typical small town with wood based manufacturing, textiles, railroad, etc.
  - Regionally - heavy in textiles and manufacturing
- 2003 - 2008 Galax saw 5 major employers cease operations with job losses totaling over 1500.
- Numerous other regional companies downsized and reduced their workforce.
- Unemployment in Galax at the beginning of 2006 was 3.6%, 2011 - 11.3%
- Loss of jobs and loss of tax base (M&T, real estate values, personal property).
- 2010 - Reduced fund balance, down to 2.75% of General Fund Budget

**History of Galax**

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**How to Recover**

Began a focus on economic restructuring through:
- Regional Collaboration
- Education Opportunities
- Diversification of Our Tax Base
  - Music, Cultural Heritage, Tourism
- Local Efforts

**Regional Collaboration/ Education Opportunities**

Crossroads Institute -
- Founded by Galax, Carroll and Grayson; in addition to our school systems.
- Converted Lowe's Home Improvements to a "life long learning" institute.
- Provides educational training, business incubator, meeting areas and other services to our citizens. 25% of WCC students now take classes through Crossroads. Students can now receive a bachelor's degree from New College Institute which works with VCU, ODU, Bluefield College, Radford University & Norfolk State.

Sources:
- Wytheville Community College
- Results XM (call center, 255 jobs)
- Blue Ridge Crossroads Economic Development Authority (BRCEDA)
- Wired Road Authority
- Small Business Development Center (SBDC)
- Business incubator spaces
Regional Collaboration - BRCEDA

- Formed in 2002 as a Regional Industrial Facility Authority between Galax, Carroll and Grayson with a specific project in mind.
  - No project, regional partnership stalled.
- Re-visited in 2006 at urging of DHCD with a focus on Entrepreneurship.
- Hired Regional Economic & Entrepreneurial Director
- Took over operations of SBDC from WCC with a focus on Entrepreneurial Development.
  - Since 2006 -
    - Over 1800 Clients
    - New/Expanded Businesses - 331
    - Business Plans - 461
    - Anticipated Funding - $57,985,000
    - Jobs Created - 1357

Regional Collaboration - BRCEDA

Other BRCEDA Initiatives

- Wired Road Authority - regional broadband network as an effort to provide broadband connectivity and an “open access” network in our region.
- Regional Grants
  - Carroll Farmer’s Market - hydro-cooling
  - Fries Volunteer Fire Department
  - Grayson Natural Foods - refrigerated truck
- Wildwood Commerce Park - regional industrial park, classified as “mega-site” (500 jobs, $320M investment) by the Tobacco Commission
  - 264 acres (100 graded, 154 ungraded)
  - Exit 19, I-77
  - Local investment - Over $16,000,000
  - Grant Funds - Over $16,000,000
  - Revenue Sharing between Galax, Carroll County and Grayson County on approximately 500 acres.
  - Mega-site will provide potentially $900,000+ in shared tax revenue for the three participating localities.

Economic Restructuring - Diversification of our tax base

Asset-based development - Music, Cultural Heritage & Tourism

Music -
  - Crooked Road - 2 venues
  - Rex Theater - live radio broadcast every Friday night on WBIR 98.1 and streaming internet.
  - Fiddlers Convention, 85th this year, 7-day event, approximately 40,000 paid admission.

Cultural Heritage

- Chestnut Creek School of the Arts
  - Located Downtown
  - ARC Funds, Anonymous Donation, Historic Tax Credits
  - Classes in music, dancing, instruments, JAM, weaving, sewing, painting, carving, jewelry, pottery, stained glass, etc.
- Felts Park Performance Stage - hosts various music and community events.
  (ARC, local funds, Galax Moose Lodge)
- Galax Farmers Market - upgraded facilities (USDA R&E Grant)
Cultural Heritage

- Chestnut Creek School of the Arts Woodworking Studio
  - Located Downtown
  - Funding:
    - ARC Tobacco Commission Funds
    - USDA Local Contributions
    - City (discretion of property)
  - Classes in woodworking, instrument building, furniture, etc.

Tourism

Full Time Tourism Director since 1998 and a new facility open since 2010.

Yearly Events

- Houston Fest (May)
- Leaf & String Festival (June)
- Smoke on the Mountain Barbeque Championship (Virginia Championship, Memphis in May & Kansas City affiliate) (July)
- Galax Fiddlers Convention (August)
- Cruise-ins, National Night Out, rodeos, Fireman’s Carnival, etc.

Visitors from 48 states and 22 countries

Virginia Tourism Corporation - tourism supports over 140 jobs in Galax.

Local Efforts

“The good and the bad”

Galax City Public Schools

- Budget
  - Maintain Level Funding
  - Reduced part-time faculty

Staffing

- Open positions / reduction of workforce
- Reduced Public Works, 36 to 25
- Reduced City of Galax-Dominated Department service
- Shared Positions
- Reduced number of employees
- Shared Positions
- New Positions or Shared Positions

Utilities/Capital

- In-house Capital Projects
  - “What can we do”

Diversification of Tax Base

- Per 2017 Weldon Cooper Center for Public Service, Real Estate Property Tax as source of revenue -
  - Cities 55%
  - Counties 65.4%
  - Towns 29.4%
- Galax (FY2020 Budget, minus school construction) -
  - Real Estate 20.0%
  - Personal Property 3.5%
  - Sales Tax 12.6%
  - Meals Tax 11.4%
  - M&T 4.4%
  - BPOL 5.6%
Our Current Efforts

- Continue the path of traditional economic development - industry recruitment and expansion.
- Support our current businesses as they grow, with a focus on improved customer service at the local level.
- Recognize our need to continue diversifying and creating a more stable local economic environment.
- Provide continuing educational opportunities for our citizens.
- Continued use and expansion of our cultural heritage and assets.
- Support, grow, and nurture local entrepreneurs/businesses - they may be the next large employer.

Thank You