

A County Grapples with Growth

Franklin County faces a different kind of problem than most rural North Carolina counties as it looks to the future. Call it a case of growing pains. Schools, social services, landfill capacity, law enforcement—all are lagging behind. And the kind of growth the county is attracting makes it hard to catch up.

Parts of Franklin lie within commuting distance of two major employment centers—Raleigh and Rocky Mount. This proximity to population centers means that, despite the fact that the county looks as country as a Randy Travis song sounds, it is classified as urban by the U.S. Office of Management and Budget. The county's population grew a robust 21.1 percent during the 1980s. Meanwhile 19 rural counties actually lost population.

The forecast for the 1990s calls for another 20 percent population increase for Franklin. But instead of gloating over Franklin's good fortune, former Planning Director Richard Reid seems worried about what the future holds for the county's 36,414 residents.

Reid says in part because of lax zoning requirements, Franklin gets the growth Wake County doesn't want. "Wake County is tougher on mobile homes and junk yards and salvage yards," says Reid. "Some people on the planning board are real upset because we seem to be getting the spillover from that."

While the county has seen a good bit of residential growth, most of it has been in starter homes and mobile homes, says Reid. That doesn't do much for the tax base, he says. In fact, Reid says it costs more to provide services for many of these new residences than the

people who live in them pay in taxes.

Reid came to the county three years ago in part to get closer to his family's beach cottage in Salvo. He also was hoping to escape the problems of suburban Washington, D.C., for the bucolic lifestyle of rural North Carolina. But Reid found that the rural life brings its own set of problems. He has since taken a job as a planner for the town of Kitty Hawk, N.C.

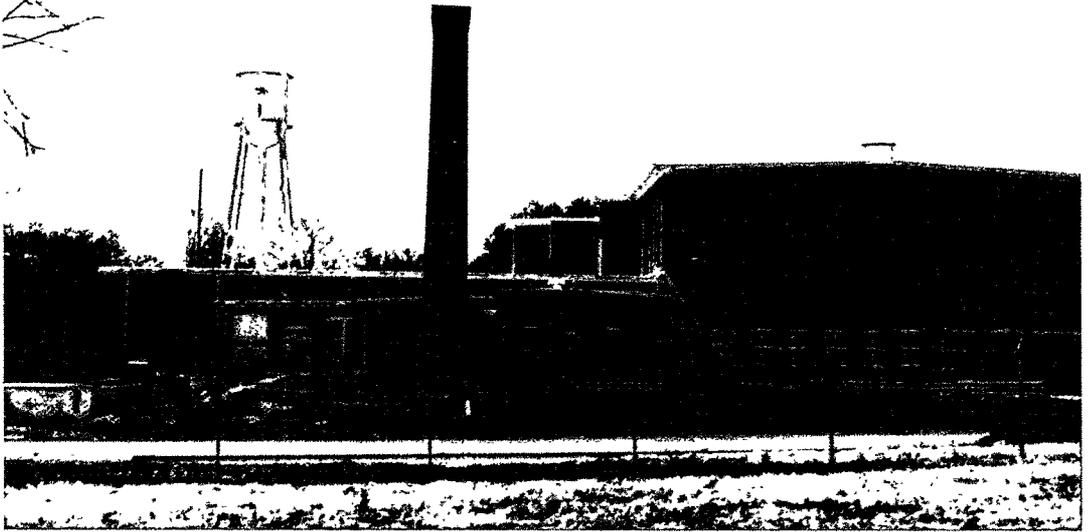
The county has no pediatrician or obstetrician. It's adult illiteracy rate stands at nearly 20 percent.¹ There are no parks except for a city park in Louisburg. Per capita income in 1989 was \$10,959, compared to a statewide average

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Former Franklin County Planner Richard Reid points out high growth areas of the county.



Mike McLaughlin



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The old Fruit of the Loom building—a going away present for Franklinton

of \$12,885.² A total of 14.5 percent of the county's population lives in poverty.³ The statewide average is 13 percent.

"The county population is poor," says Reid, "not the poorest, but down towards the bottom. The schools are struggling. The county is slow to change. Technology is leaping ahead, and a lot of people are being left behind at a very rapid rate. Companies come in, see the work force available, and basically have to import workers. It's very sad. We definitely need some kind of tech-prep program in the schools."⁴

The county has a fair amount of industry, but it's unevenly distributed. Most is clustered around Louisburg or near the Wake County line on U.S. highway 1. That's where Carolina Telephone and Telegraph chose to build its 200,000-square-foot company headquarters, which opened in 1992 and instantly swelled the county's tax coffers. Reid says he's surprised but pleased that the company located its headquarters across the road from an unsightly salvage yard.

Another firm with a major capital investment in the county is Novo Nordisk Biochem, Inc., a biotechnology firm that produces an enzyme used in sweeteners and has a major expansion on the drawing boards. The firm is highly automated and employs 80 people—

fewer than the size of its modern plant and generous surrounding acreage would suggest.

Bob Heuts, Franklin County's economic development coordinator, says Novo plans a \$100 million expansion that will increase its work force to 200 workers. This capital investment represents about \$1 million per job and would vault the firm ahead of Carolina Telephone as the county's leading taxpayer.

Wood products firms are currently the main source of employment in the county—firms like Hon Office Furniture and Katesville Pallet Mill that line N.C. highway 56 between Louisburg and Franklinton. "Wood is a big industry in Franklin County, but that and textiles are sort of the old industries," Heuts says. Like industrial recruiters elsewhere, Heuts sees the new wave as away from traditional industries and towards high-tech concerns.

Reid says that although much of the county appears agricultural, that's deceptive. He says few families earn their living from farming anymore, although a number of families raise trees that support the forest products industry. More people commute to Raleigh or Rocky Mount for work than farm or hold jobs in the county.

Bill Lord, a county agricultural extension agent, says no more than 260 Franklin County

residents farm full-time—less than 1 percent of the population. Tobacco, he says, is the leading cash crop, producing \$23.5 million in revenue in 1991. The county is 61 percent forested, says Lord, and tree farming is another major source of agricultural income. “There aren’t many farmers left,” says Lord. “The average age is 53.”

Lord says the shift away from farming is evidenced in the kinds of questions the extension office gets—more about lawn care and less about crops and livestock. Or as Lord puts it, “We get a lot more urban horticulture questions.”

The county has gone from farm to forest products and textiles and now the industrial base is changing yet again—to jobs that require more than just repetitive motions to produce a product. These jobs generally require thinking skills. Reid says the work force isn’t keeping up in acquiring these skills. Plus, productivity gains mean fewer workers in newer plants.

But Heuts offers a different perspective on the Franklin County work force. High tech firms can recruit for skilled labor within a 25

mile radius, says Heuts. That puts the county in range of the highly educated Triangle area. As for the job skills of county residents, says Heuts, “some may be lacking, but they are not the skills people couldn’t retool through the community college.” Franklin County workers “come to work on Monday ready to work,” says Heuts, and employers generally have been pleased.

Still, production workers in the county have taken their lumps in recent years, particularly those employed in textiles. Franklinton, a town of 1,615, got a double whammy from its dependence on the textile industry. First, Burlington Industries closed its doors in the mid-1980s, eliminating nearly 600 jobs. Next, Fruit of the Loom closed its doors in the early 1990s, idling 232 workers. As a going-away present, Fruit of the Loom gave its building and site to the town of Franklinton. “They [town officials] are trying to figure out what to do with it,” Reid says.

The Burlington Industries building appears to be a reasonably modern structure suitable for conversion to another use. But Heuts says the

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A gas line installed along U.S. 1 in Franklin County to accommodate industrial growth

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ceiling is too low for most modern production processes, so finding a new tenant has been difficult. The combined loss of tax base and jobs has dealt a twin blow to the town. Complicating factors include a high minority population with low incomes and limited job skills and a school system that performs below state averages on everything from reading to arithmetic.⁵

Reid believes these factors may discourage potential investors who would create jobs and restore the tax base. "They're in real trouble," says Reid. "The industries coming in and replacing the mills require a lot of technical training, which a lot of these people don't have."

Still, Reid sees some hope in the number of Victorian homes sprinkled through the town, many of them in poor repair. These could lend themselves to renovation by professionals working 30 miles down U.S. 1 in Raleigh.

A few miles closer to Raleigh, the countryside around Youngsville is attracting the attention of developers. New housing also is springing up to the southeast in the Dunn Township. Workers can commute to both Raleigh and Rocky Mount from this section of the county, and some two-worker families do exactly that.

The county has pinned quite a few hopes on spillover residential development. Starter home subdivisions with names like Young Forest and Mill Creek are beginning to pop up with larger lots and lower price tags than can be found in neighboring Wake County. Reid hopes the county can attract more of this kind of development, along with more expensive housing that would contribute even more to the tax base. To accomplish this, Reid says, the county needs stricter controls on land use to control the proliferation of mobile homes, junk yards, and other uses that might affect property values.

"I'm concerned that Franklin County is going to become a suburb of Raleigh, but what kind of suburb is it going to be? Is it going to be a lower income, mobile home kind of suburb? I think potentially, that's what we're going to become."

Lord also laments that Franklin County is getting what its urban neighbors don't want—be it low-cost development or the byproducts of wastewater treatment. "We're getting a lot of pressure to accept waste from surrounding

counties—ground application of sludge," says Lord. Meanwhile, Lord says, many county residents are doing their shopping elsewhere. "We're getting bled dry by Raleigh and Durham," says Lord. "If they're going to live here, they need to spend some money here."

Still, because of Franklin County's proximity to the Triangle, it is better off than most rural counties. Residential growth is occurring, and the county continues to snare the occasional industry that provides local jobs. "Industries come because land is cheap, and taxes are still cheap," says Reid. "Whether that stays or not remains to be seen."

Low-cost residential growth could stretch the county's resources to the extent that taxes rise and new industries are discouraged from locating in the county, says Reid. Already, schools are packed in the southern part of the county. A new elementary school under construction in Bunn will be too small before it even opens its doors.

Reid fears that unless Franklin looks to the future a little more than it has in the past, that future will not be as bright as it could be. "I think the county has a lot of potential," he says. "I don't know whether it'll be realized or not."

—Mike McLaughlin

FOOTNOTES

¹ Barbara Barnett, "Poverty and Education: A Costly Problem for North Carolina," *North Carolina Insight*, Vol. 11, Nos. 2-3 (April 1989), p. 114.

² U.S. Census Bureau, *Summary Social, Economic, and Housing Characteristics, North Carolina*, Washington, D.C., May 1992, Table 9, pp. 151-158.

³ *Ibid.* at Table 9, pp. 151 and 158.

⁴ Tech Prep is a joint program between the community colleges and the public schools. Students enroll in a high school curriculum that stresses math and science, then transfer to a two-year technical training program at a community college.

⁵ *1992 Report Card: The State of School Systems in North Carolina*, State Board of Education, Raleigh, N.C., January 1993, pp. 350-351. According to the report, achievement levels in Franklinton City Schools were well below state averages in reading and language, science, social studies, and mathematics. But taking into account factors that might influence performance, such as parents' education, local spending per student, and the racial breakdown of the student body, the report card found the Franklinton City Schools performing up to expectations. Students in the Franklin County Schools demonstrated slightly higher overall achievement, but performed slightly below state expectations when factors that might influence performance were taken into account.