

2.0 EXISTING REGIONAL CONDITIONS

2.1 Regional Population Growth and Growth Rates

Rockingham County's population has continued to grow at a relatively slow pace during this decade, but at much lower rates than the nation, state, or metro area overall (see *Table 2* below). However, the County may be poised to grow at a much higher rate due to the projected increase in North Carolina's population. According to the U.S. Census 2030 population projections released in April 2005, North Carolina's population will increase over 50 percent in the next 30 years. This will move North Carolina upward from the 11th to the 7th most populated state. Rockingham County was officially added to the Greensboro-High Point Metropolitan Statistical Area (MSA) in 2003. This is the 72nd largest metropolitan area in the United States. Prior to 2003, Rockingham County was classified as a non-metropolitan area.

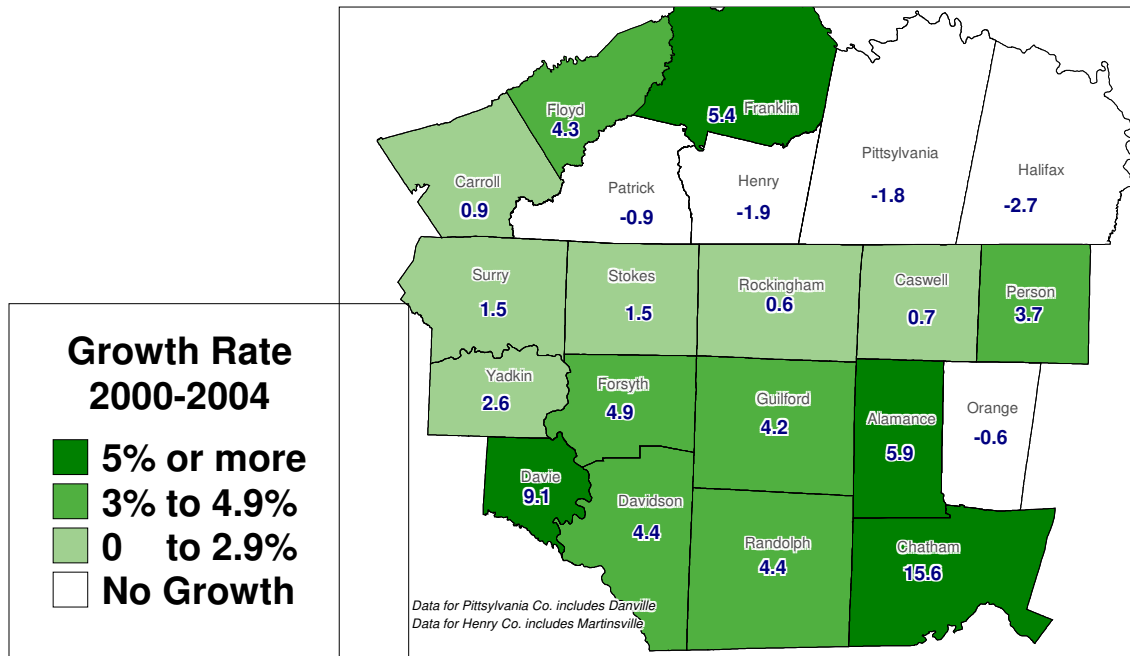
Table 2 – Population Growth and Growth Rate Comparison (2000-2005)

	2005	2000	Population Growth	Growth Rate
Rockingham County	92,614	91,928	686	+0.7%
Greensboro-High Point MSA	674,500	643,430	31,070	+4.8%
NC	8,683,242	8,049,313	633,929	+7.9%
US	296,410,404	281,421,906	14,988,498	+5.3%

Source: US Census Bureau, June 2006

Map 2 below illustrates the recent tiered growth pattern of the surrounding region. Virginia counties located north of Rockingham County experienced negative growth rates during this decade. Rockingham County and most of the other North Carolina counties bordering Virginia experienced very moderate growth rates. The highest population growth rates occurred south of Rockingham County.

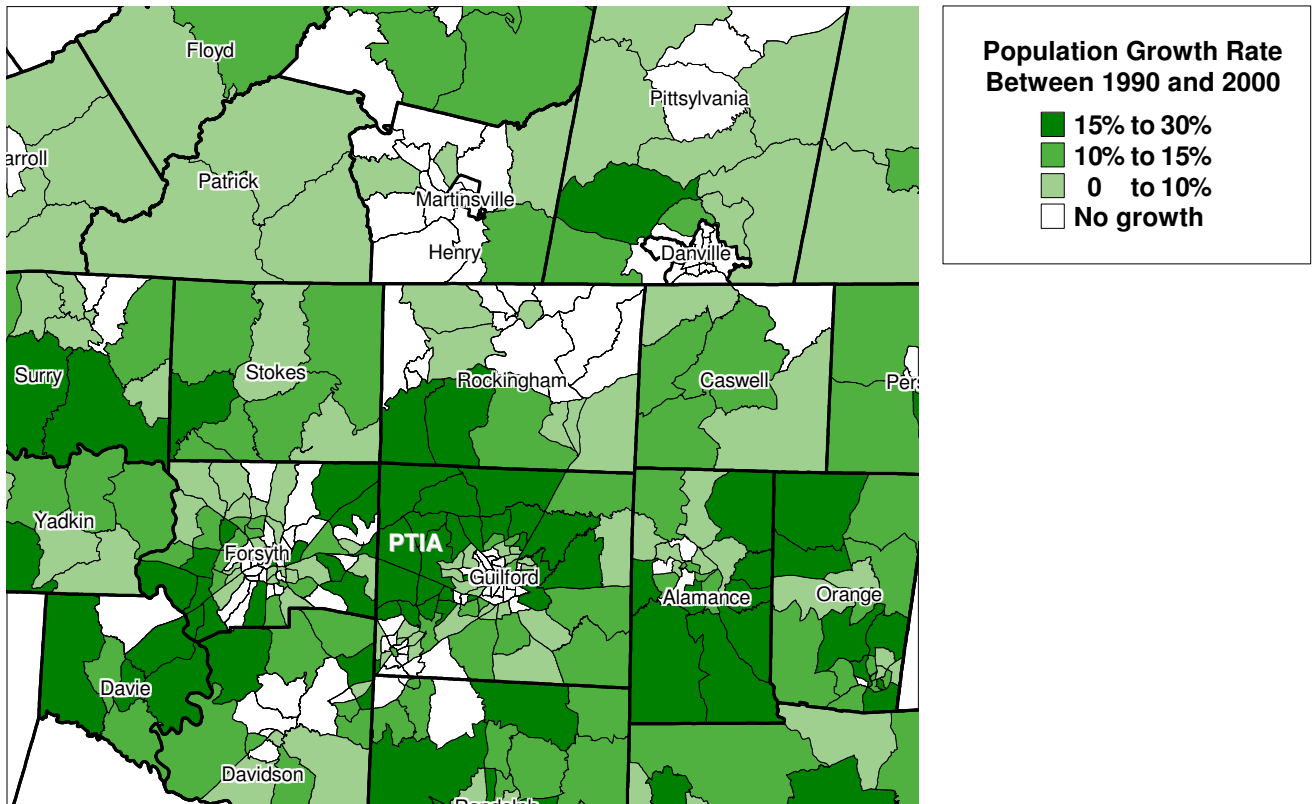
Map 2 – Population Growth Rate from 2000 to 2004 By County



Source: US Census Bureau, Population Division, released in May 2005.

Most of Rockingham County’s growth has occurred in the southern portions of the County along its border with Guilford County (see *Map 3* below). Northern areas of the County along the Virginia border had little or no growth, while the southwest corner of the County experienced the largest growth rates from 1990 to 2000. Key factors fueling growth in this section of Rockingham County include close proximity to the Piedmont Triad International Airport (PTIA), easy access to jobs within the airport corridor via NC 68 and US 220, and Rockingham County’s relatively lower tax rates, land prices and development densities. Job growth and residential housing growth in the airport corridor has continued to outpace most other areas in the Piedmont Triad region. The opening of the Fed Ex hub adjacent to PTIA over the next five to ten years will likely continue to increase job growth in the area. The anticipated high noise levels generated by the Fed Ex hub and escalating industrial development around the airport area is expected to push residential growth into eastern Forsyth, northern Davidson, and southern Rockingham Counties.

Map 3 – Population Growth Rate from 1990 to 2000 By Census Tract



Source: 1990 and 2000 Census of Population & Housing.

2.2 Employment and Job Growth

Rockingham County continues to experience job losses greater than the rest of the state or the metro region (see *Table 3* below). Long range trends indicate the County had a 15% or higher rate of job decline from 1994 to 2004. During 1999 and 2004, however, both the state and metro region suffered significant reduction in new jobs. The loss of manufacturing jobs – particularly in the textile and apparel industries – continues to result in negative net job growth for the County (see *Table 4* below). However, Rockingham County’s manufacturing job losses between 1994 and 2004 are in line with similar trends experienced in the region and the State of North Carolina. *Table 4* also indicates that the County may “bottom-out” toward the recent manufacturing and textile job percentages of the region and State as the result of an overall readjustment to a non-manufacturing economic base. The North Carolina Department of Commerce designates Rockingham County as a Tier 2 economically distressed County providing more potential state funding opportunities for economic development projects. Rockingham County’s economy has historically been more dependent on textile and apparel jobs than the rest of the region, the state, or the nation as a whole. Ten years ago, a third of all jobs in Rockingham County were in the textile or apparel industries. By 2003, one of every five jobs in Rockingham County was in the textile and apparel industry. In the metro region overall, the

proportion is one of every 20 jobs. Further job erosion in the textile and apparel industry is expected according to projections issued by the US Bureau of Economic Analysis and the North Carolina Employment Security Commission.

Table 3 – Employment & Job Growth Comparison (1994-2004)

	Number of Jobs - 1994	Number of Jobs – 1999	Number of Jobs - 2004	% Change, past 10 years	% Change, past 5 years
Rockingham County	30,351	30,921	25,811	-15.0%	-16.5%
Greensboro-High Point MSA	292,710	341,236	325,142	11.1%	-4.7%
NC	2,854,742	3,324,155	3,365,633	17.9%	1.2%
US	96,733,300	110,705,661	115,074,924	19.0%	3.9%

Source: US Department of Commerce, County Business Patterns, 2004 data released in May 2006.

* Includes private sector, non-farm jobs.

Table 4 – Industrial Sector Comparison (1994-2004)

	% Jobs in Manufacturing (2004)	% Jobs in Manufacturing (1994)	% Textiles / Apparel Jobs (2004)	% Textiles / Apparel Jobs (1994)
Rockingham County	36.2%	52.9%	16.9%	33.3%
Greensboro-High Point MSA	21.6%	33.2%	4.1%	9.5%
NC	17.0%	29.9%	2.9%	8.9%
US	12.0%	18.7%	0.6%	1.6%

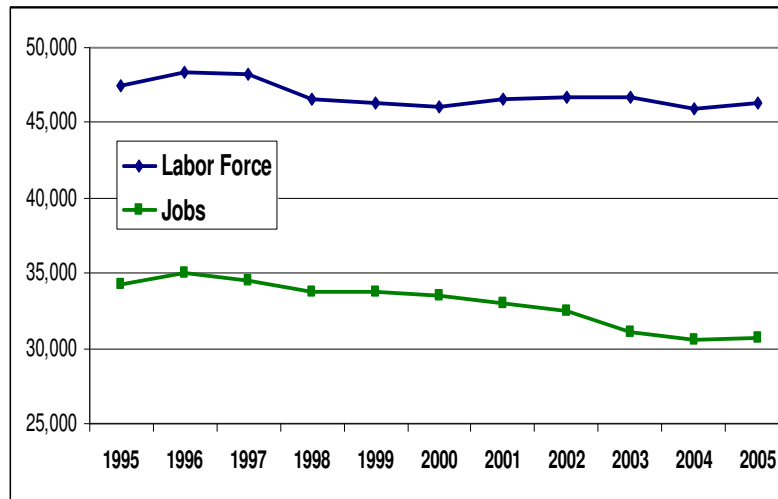
Source: US Department of Commerce, County Business Patterns, 2004 data released in May 2006.

* Includes Private Sector, non-farm jobs

2.3 Rockingham County Labor Force and Job Growth

Job growth in Rockingham County over the past ten years reflects the national trend away from manufacturing toward a more knowledge-based economy. During the mid-1990s the County gained jobs in the service and construction sectors as it shed manufacturing jobs. The County continued to make modest gains in the service, support and professional job sectors as the national economy entered a recession in the late 1990s. Since 1995, the County's labor force has declined slightly while its total net job loss has increased (see *Figure 1*). A total of 6,590 jobs have been eliminated in the County since 1995. While new jobs have been created in other sectors, plant closings and layoffs have offset these gains.

Figure 1 – Rockingham County Labor Force and Job Growth (1995-2005)

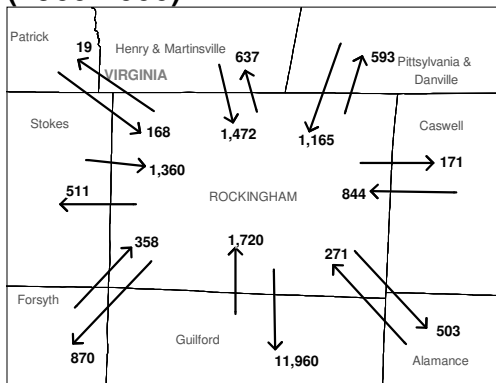


Source: NC Employment Security Commission, June 2006. * Includes all private and public sector employment.

2.4 Rockingham County Commuting

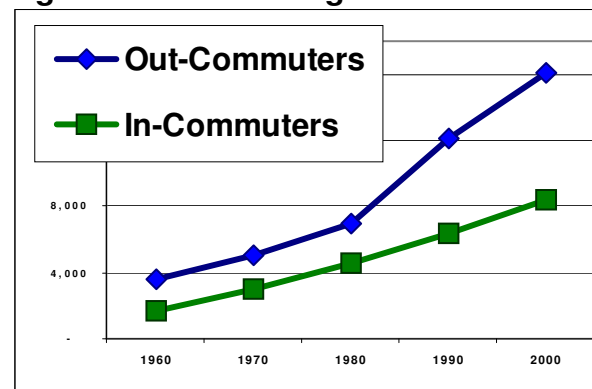
Growth in the County’s out-commuters over the past 45 years has outpaced its in-commuter growth. In 1990, 30% of Rockingham County’s workforce out-commuted to work. By the year 2000, approximately 40% of the County workforce ($\pm 16,250$ County residents) commuted out of the County to work each day. Most of the County’s out-commuters ($\pm 12,000$ or 75%) traveled to Guilford County to work. Approximately 60% of Rockingham County’s 2000 work force ($\pm 25,500$ County residents) worked in the County. (See *Map 4* and *Figure 2* below).

Map 4 – Commuting Rates (2000) (1960-2000)



Source: US Census Bureau, Journey to Work Data, 2000.

Figure 2 – Commuting Rates

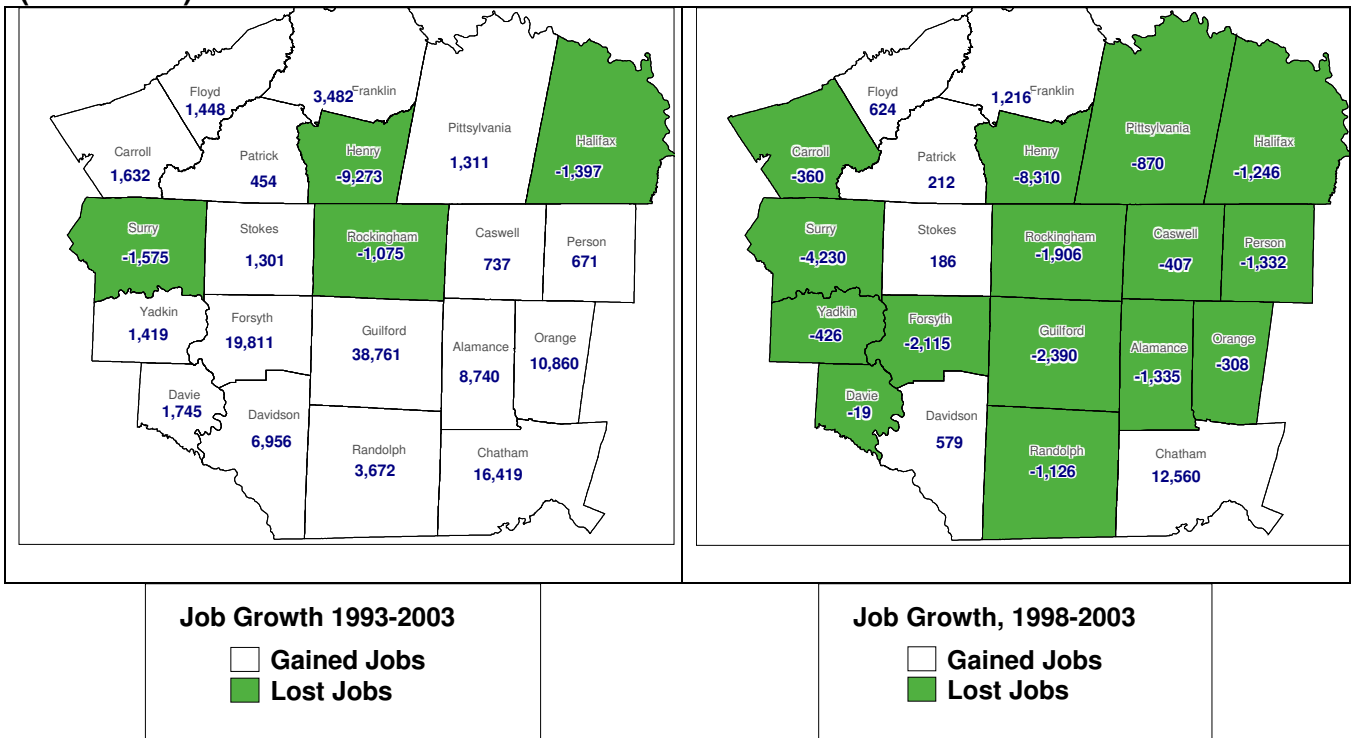


2.5 Regional Job Growth

Rockingham County is one of only a few counties within the region to experience negative net job growth over the ten-year period from 1993 to 2003 (see *Map 5*). However, a majority of our region's counties suffered from declining job growth during the recent recession over the five years between 1998 and 2003 (see *Map 6*). This indicates Rockingham County has endured a longer-range decline in job growth than most counties in the region. Continued job losses since 1998 have offset any job gains made during the previous five-year period. On the other hand, Guilford County has experienced a net gain of nearly 40,000 jobs between 1993 and 2003 despite net job losses in more recent years.

Map 5 – Regional Job Growth (1993-2003)

Map 6 – Regional Job Growth (1998-2003)

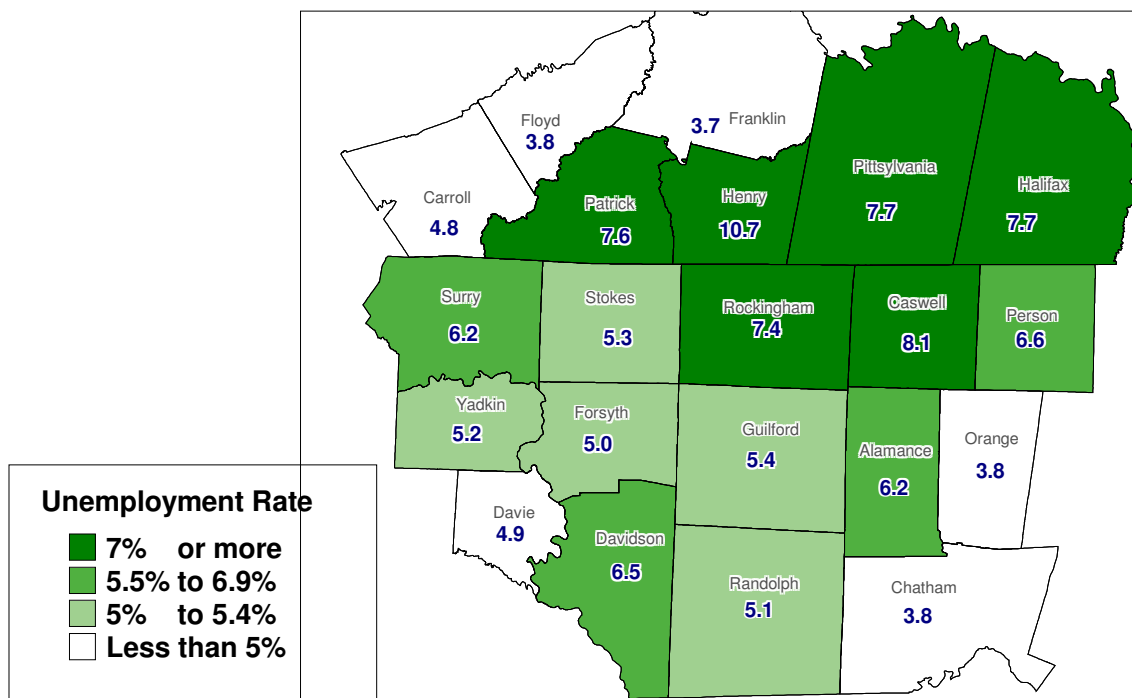


Source: US Department of Commerce, 2005. *Does not include public sector, self-employed persons, or farm jobs.

2.6 Regional Unemployment

Counties that straddle the Virginia / North Carolina border had the highest unemployment rates in the region in 2004 (see *Map 7* below). Over 10% of the labor force in Henry County, Virginia was unemployed. Caswell and Rockingham Counties in North Carolina and Patrick, Pittsylvania and Halifax Counties in Virginia all experienced unemployment rates of 7% or more. The counties with the highest unemployment rates seem to correlate with counties experiencing the lowest population growth rates since 2000 (see *Map 2*). This illustrates the negative influence fewer job opportunities tend to impose on sustaining population growth (i.e., workers move to other employment centers).

Map 7 – Regional Unemployment Rates (2004)

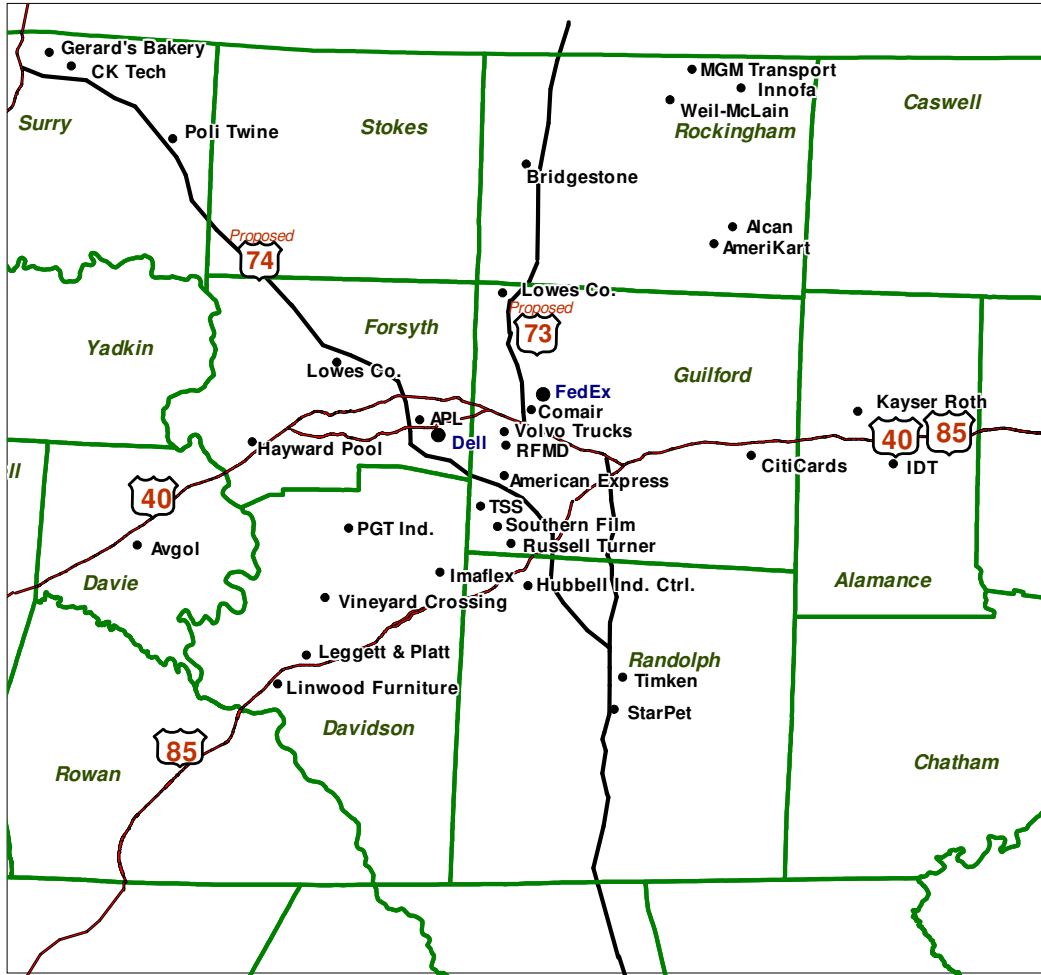


Source: US Bureau of Labor Statistics, 2004 average annual unemployment rates shown.

2.7 Major Regional Investments

From 2004 to July, 2006, 35 new or expanding firms are each in the process of adding at least 50 new jobs and/or making an investment of over \$25 million within the 12-County Piedmont Triad economic development region (see *Map 8* and *Table 5* below). In spite of the recent national and regional economic downturn, Rockingham County has benefited from these recent economic development efforts. Since 2003, eight major economic development investments are underway in Rockingham County: MGM Transport; Alcan; AmeriKart; A.F.G. Wipes; Metzeler, Weil-McLain; Bridgestone Aircraft Tire; and InnoFA. Business spin-offs from the anticipated Fed Ex hub opening near the PTI airport and the Dell plant currently under construction in Forsyth County are likely to drive significant job and residential housing growth throughout the region. Implementation of two major transportation improvement proposals—the US 220 connector in north-west Guilford County and the I-73 corridor in both Guilford and Rockingham Counties—will significantly increase connectivity between PTIA and Rockingham County, and serve as a major catalyst for growth in the County. In addition, potential upgrading of the US 29 corridor to become the future I-785, and completion of Painter Boulevard (the Greensboro Urban Loop) will further demonstrate our region’s intent to enhance its status as a transportation distribution center and facilitate future land development throughout the region.

Map 8 – New / Expanding Firms in the Piedmont Triad Region 2004-July, 2006



Source: Piedmont Triad Partnership, Announcements from Jan. 2004 through July 11, 2006

**Table 5 – Announced Industrial Expansion & New Business Construction
2004-July 2006
The Piedmont Triad Region of North Carolina**

County	City	Company	Jobs	Investment
Guilford	Greensboro	Fed-Ex	3000	\$300,000,000
Forsyth	Winston-Salem	Dell Inc	1500	\$100,000,000
Guilford	High Point	American Express	300	not noted
Guilford	Greensboro	Citi Cards	300	not noted
Guilford	Greensboro	RFMD	300	\$80,000,000
Rockingham	Eden	MGM Transport	300	\$6,000,000
Davidson	Lexington	Vineyard Crossing	200	\$20,700,000
Davidson	Linwood	Linwood Furniture	200	\$4,100,000
Alamance	Burlington	Kayser Roth	180	not noted
Rockingham	Reidsville	Alcan, Inc.	170	\$42,600,000
Guilford	Greensboro	Volvo Trucks NA	150	\$10,000,000
Randolph	Archdale	Hubbell Industrial Controls	150	\$4,500,000
Davidson	Welcome	PGT Industries	115	not noted
Surry	Mount Airy	Gerard's Bakery	108	\$7,500,000
Rockingham	Eden	Weil-McLain	103	\$6,900,000
Davidson	Linwood	Leggett & Platt	100	not noted
Rockingham	Mayodan	Bridgestone Aircraft Tire	95	\$13,500,000
Guilford	High Point	Transportation Systems Solutions	90	\$1,650,000
Surry	Pilot Mountain	Poli-Twine	80	\$8,000,000
Guilford	Greensboro	RF Micro Devices	75	\$75,000,000
Forsyth	Clemmons	Hayward Pool Products	75	\$10,000,000
Guilford	Stokesdale	Lowes Companies	70	\$5,000,000
Rockingham	Reidsville	Ameri-Kart	70	\$2,000,000
Guilford	Greensboro	Comair Inc	53	\$2,800,000
Alamance	Graham	International Designer Transitions	50	not noted
Forsyth	Winston-Salem	APL Logistics	50	not noted
Randolph	Randleman	Timken Co.	50	\$27,000,000
Surry	Mount Airy	CK Technologies	50	\$19,000,000
Rockingham	Eden	Innofa USA	50	\$10,500,000
Davidson	Thomasville	Imaflex	50	\$10,000,000
Guilford	High Point	Southern Film Extruders	50	\$1,800,000
Guilford	High Point	Russell Turner	50	\$1,000,000
Randolph	Asheboro	StarPet	40	\$44,000,000
Davie	Mocksville	Avgol American Inc.	40	\$27,000,000
Forsyth	Winston-Salem	Lowes Companies - data center	25	\$100,000,000

Source: Piedmont Triad Partnership, Announcements from Jan. 2004 through July 11, 2006

2.8 Summary of Chapter 2 Key Points

- North Carolina's population is projected to increase over 50 percent in the next 30 years moving it upward from the 11th to the 7th most populated state.
- Since 2000, Rockingham County's population has grown less than 1%, and lags behind the nation, state, and metro area overall.
- The highest population growth rates have occurred south of Rockingham County (i.e., northwest Guilford County) while Virginia counties to the north have suffered negative growth rates.
- Rockingham County experienced a slightly higher percentage of job losses between 1999 and 2004 (-16.5%) than during the previous 10 years (-15.0%).
- Negative net job growth has resulted in the majority of surrounding counties between 1998 and 2003. However, Rockingham County is one of the few counties to have faced this over a ten year period.
- Over the past 20 years, Rockingham County's workers have increasingly commuted outside the County for employment—mostly to Guilford County.
- Rockingham County is positioned well for future economic growth due to investments in local and regional businesses (e.g., Dell and Fed Ex) and highway improvements (e.g., future I-73, future I-785, and Greensboro Urban Loop).