

HOMETOWN STRONG

COMMUNITY FOCUSED PARTNERSHIPS

Person County, North Carolina

Points of Interest	County Data
Population	39,490
Per Capita Income	\$25,922
Median Household Income	\$48,811
Poverty Rate	14.8%
Minority Population	30.2%
Proximity to Urban Center	28 miles to Durham

Following the initial economic downturn due to the COVID-19 pandemic, the Person County Economic Development Commission developed a program to provide funds for small businesses in the rural community. With small businesses occupying a large portion of the county's economy, the Economic Development Commission's Pivot COVID loan program is an effort to provide rapid short-term financial assistance to local businesses. While there is state and federal support for these businesses as well, the goal of the Pivot COVID program is to be more responsive to the needs of the businesses.³

Person County introduces a rapid short-term loan for local small businesses to combat economic downturn from COVID-19 and ensure the longevity of the community.

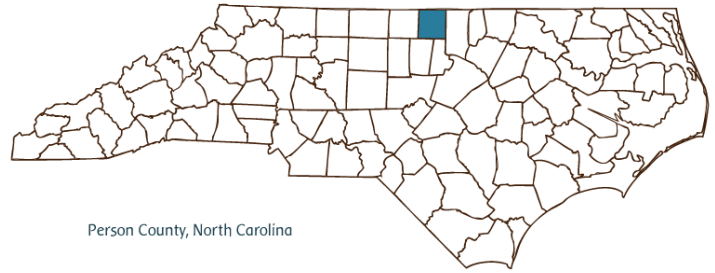
The Community and its History

Person County, named after Revolutionary War general Thomas Person, was founded in 1791 from Caswell County. The area was originally inhabited by the Occaneechi Indians and was settled by English and German immigrants. The county seat of

Roxboro was established in 1855 and named for Roxburgh, Scotland.⁵

The county borders North Carolina's northern neighbor, Virginia, and contains three river basins, the Tar, the Neuse, and the Roanoke.⁵ The rural community has a well-established history and plenty of recreational activities from Hyco Lake constructed by Carolina Power & Light Company in the early 1960s to the historic Webb House and Hall House. Community spaces and events such as the Person County Agricultural Fair, the Personality Festival, Roxboro Little Theatre, Person County Museum of History, and the Timberlake Art Gallery make Person County a tight-knit and active community.⁵ The quaint downtown paired with a sprawling natural landscape means that Person County has no shortage of weekend activities and recreational opportunities for both visitors and residents alike.

Person County is a short 20-minute drive to downtown Durham, giving the county easy access to the Research Triangle of North Carolina. Person County acts as a manufacturing zone in the Research Triangle with minimal traffic skilled workers at GKN, Duke Energy, and Eaton Corporation. Popular industries also include agriculture and small business.⁴ With a mixed industry economy, Person County sets itself up to succeed and proves just how important strong economic development is to the small community.



Person County, North Carolina

The Strategy

Once the economic impact of the COVID-19 pandemic was apparent in early April, 2020, the Person County Economic Development Council developed the Pivot COVID short term loan program in order to address vulnerabilities faced by small businesses in the time of economic uncertainty and public health concerns.⁷ While there are state and federal COVID response loan programs for small businesses, the slower response of these governments led Person County to administer their own responsive, low-interest capital flow.² The county makes it clear that this program is by no means a replacement for state and federal programs, but can act as a more responsive supplementary resource.

In order to ensure that the Pivot loans are primarily an investment in the county, the Economic Development Council requires that applicants must have 1-49 employees, have a physical location and be principally based in Person County, and be for-profit. A goal of this loan is to provide rapid resources to businesses as COVID-19 response, thus the businesses must demonstrate a loss of revenue of 25% due to COVID

and agree to provide impact data.² The Economic Development Commission hopes to invest \$260,000 in the Person County local economy.⁷ The impact data will demonstrate the usefulness of this type of program. The loan can be used for payroll, accounts payable, fixed, debts, or any other cost that the business is unable to cover due to COVID-19. Loans range with the minimum loan being \$2,500 and the maximum loan being \$10,000. The loan amount is based on the company's current revenue. The first six months require no payment with an interest rate of 4%. The next six months have 5.5% interest followed by a four-year payment term at 5.5% interest.²

The Pivot COVID program is administered by the Kerr Tar Council of Governments, a voluntary group of governments that meet to promote regionalism and provide resources for the participating municipalities. The Kerr Tar Council has a similar revolving loan program, allowing for efficient administration of the Pivot loans. The application process is completely online, increasing its accessibility and reach.²



Roxboro Main Street

How and Why it Worked

Kerr-Tar Regional Council has the administrative infrastructure. A principle strength of this COVID-19 response program is the rapid response from the Economic Development Council. The loan program was able to roll out in this fast and efficient manner due to the existing infrastructure and capacity. Without such an organization, the roll out may have been delayed and therefore less functional.

An economy built on small business Person County's small businesses make up a large portion of the county's economy, thus heightening the importance of rapid recovery response. Without the financial capacity that big businesses have, small businesses face larger obstacles due COVID-19. This made financial resources for these businesses even more of a pressing matter. This resulted in the county's fast response and dedication to speedy loan administration.

Lessons Learned

Resources can and should be accessible at every level of government. Even though financial resources are offered at both state and federal levels for COVID-19 small businesses, Person County recognized the necessity of a responsive program. Due to less constituents and thus fewer applications, a county program can be more efficient or accessible than a state or federal program. It is also more likely to change its structure due to recommendations from participants. Even though this program may have

less capacity than larger programs, it is more adaptable. Person County demonstrates the capability of small rural regions to provide resources to protect their economy.

The impact of quick response. The COVID-19 shutdown of small businesses was almost overnight, leaving business owners little to no time for preparation. As a result, small businesses have suffered greatly during this time of economic uncertainty. This quick shutdown was appropriately followed by the announcement of the Pivot COVID loan program. Due to the existing infrastructure as well as the responsive nature of small municipal governments, the loan program was able to roll out quickly and efficiently, giving small local businesses some wiggle room as they awaited aid from state and federal programs.

Endnotes

7. "Cities Near Me - Person County, North Carolina." Travelmath. Accessed June 17, 2020. [https://www.travelmath.com/cities-near/Person County, NC](https://www.travelmath.com/cities-near/Person+County,+NC).
8. "COVID19 Resources: Person County Economic Development Commission." COVID19 Resources | Person County Economic Development Commission. Accessed June 17, 2020. <https://personcountyedc.com/business-advantages/covid19-resources/>.
1. "Person County, NC." COVID PIVOT Impact Loan | Person County, NC. Accessed June 17, 2020. <https://www.personcountync.gov/departments-services/departments-a-h/economic-development/covid-pivot-impact-loan>.
2. Person County, NC Economic Development. Accessed June 17, 2020. <https://personcountyedc.com/>.
3. See also: North Carolina Counties (to access links to NCpedia articles for all 100 counties) by Jay Mazzocchi. "Person County." NCpedia. Accessed June 17, 2020. <https://www.ncpedia.org/geography/person>
4. "U.S. Census Bureau QuickFacts: Person County, North Carolina." Census Bureau QuickFacts. Accessed June 17, 2020. <https://www.census.gov/quickfacts/personcountynorthcarolina>.
5. Whitfield, Johnny. "Person EDC Offers Small Business Loans." Person County Life, April 10, 2020. <http://www.personcountylife.com/stories/person-edc-offers-small-business-loans,26582>.
6. "U.S. Census Bureau QuickFacts: Person County, North Carolina." Census Bureau QuickFacts. Accessed June 17, 2020. <https://www.census.gov/quickfacts/personcountynorthcarolina>.