The Keys to Economic Recovery from COVID-19

Webinar 1
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The Team

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What strategies will help local economies recover more quickly from the COVID-19 pandemic?
Local Government Early Coronavirus Survey Response

Anita Brown-Graham, Director
ncIMPACT Initiative
About this survey

• Sent to all city and county managers and county commissioners
• Sent to city council members who had recently participated in School of Government courses
The geography of respondents

COVID-19 Survey of Local Governments: Responses by County (May 2020)
Our findings

**Findings**

- NC local government leaders expected early on that there would be significant effects from COVID-19.

- Most NC local government leaders expected early on that the recovery for communities would be swifter than the recovery for the local government itself.

**Business closures and job instability** were respondents’ primary concerns. NC local governments were concerned about staffing disruptions in their organizations and loss of businesses and overall employment opportunities in their communities (which may reduce local government revenues from sales and occupancy taxes).

- When asked specifically about positive impacts, despite the negative impacts indicated previously, one-third of NC local government leaders noted positive impacts on the community. Half noted positive impacts on the local government itself.

- There was significant variability on the expected negative economic implications of COVID-19, but there was no meaningful difference among communities based on poverty rates, economic tiers, or current incidence of COVID-19.
Impacts on Communities
COVID-19 has mostly negative impacts on communities
The most negative impacts for communities
Most negative impacts expected to last 91 days to a year
Impact on the Economy and the Local Workforce

Estimated Expected Impact on Local Employment by North Carolina Region

- Western
- Southwestern
- Southeastern
- Sandhills
- Piedmont Triad
- Northwestern
- Northeastern
- North Central

Estimated Percentage Decline Expected in Local Employment:
- 5%
- 10%
- 15%
- 20%
- 25%
- 30%
- 35%
Regional differences: impact on economy and local workforce

Estimated Expected Impact on Economy by North Carolina Region

- Western
- Southwestern
- Southeastern
- Sandhills
- Piedmont Triad
- Northwestern
- Northeastern
- North Central

Decline Expected in Local Community's Economic Activity

-10%  -20%  -30%  -40%  -50%
Note the positive impacts

Our new Mayor has built a strong collaboration with all of the community faith leaders, which was originally used to promote health and safety during the pandemic, but is now being used to promote the census and other community priorities.

Appreciation for the role of healthcare providers, first responders, and essential personnel.

During these distressing times, I am seeing our community looking out for each other—neighbors, businesses, and organizations. People have become more selfless."
Impacts on local governments
Mostly negative impacts on local governments
The most negative impacts on local governments
Impacts Expected for Local Governments in 91 days to a year

When Negative Impacts Are Expected for Local Government

- Within the next 30 days: 10%
- 31–60 days: 20%
- 61–90 days: 20%
- 91 days to a year: 60%
- More than a year: 10%
Expected impact on local government revenues

Estimated Average Revenue Impact on Local Governments

- Western: -25%
- Southwestern: -20%
- Southeastern: -15%
- Sandhills: -20%
- Piedmont Triad: -25%
- Northwestern: -30%
- Northeastern: -35%
- North Central: -30%

Expected Change in Revenue
In all challenges, there are positives. We have seen our county team come together and work collaboratively across departments and leverage community relationships with businesses and nonprofits to be nimble in our response.

We are learning a lot about working remotely and how that works in different parts of our organization (and how it can or cannot work for citizens).
Data Indicators and Local Economic Conditions

Molly Gaskin and Andreina Malki
Health Indicators
In North Carolina, on September 27, 2020, there were 18.3 newly reported COVID-19 cases per 100,000 people.

Source: tracktherecovery.org
Racial and Ethnic Differences

COVID-19 by Race and Ethnicity in NC

- Black or African American: 21% (Population), 24% (Cases), 33% (Deaths)
- Hispanic or Latino: 9% (Population), 44% (Cases), 10% (Deaths)
- White Alone: 69% (Population), 56% (Cases), 58% (Deaths)

Source: The COVID Tracking Project, Racial Data Dashboard, North Carolina 2020
Rural/Urban Differences

COVID-19 Cases per 100K

Dots represent counties with meat processing plants with NCDHHS confirmed C-19 outbreak
COVID-19 Crude Death Rates, COVID-19 Cases, Density Classification

COVID-19 Infection Rate by population density classification

Infection rate per 100K

State: 229
Rural Counties: 257
Urban/Suburban Counties: 204
Economic Conditions
Percent of Small Businesses in At-Risk Industries

Data Source: Brooking's analysis of Census Bureau's 2017 County Business Patterns (CBP)
Vulnerable Jobs by Sector in NC

Food and drinking establishments represent a greater share of hospitality jobs than accommodation.

Source: https://www.brookings.edu/interactives/visualizing-vulnerable-jobs-across-america/
Average Unemployment Rate by Prosperity Zone

North Carolina Unemployment Rates by County
August 2020

North Carolina Rate 6.8%
Not Seasonally Adjusted

Note: August 2020 data are preliminary.
Prepared by the Labor & Economic Analysis, North Carolina Department of Commerce 9_2020

Consumer Consternation

Data Source: SafeGraph; Morning Consult; Opportunity Insights

Source: https://kenaninstitute.unc.edu/dashboard/reopening-amid-covid-19/
Housing Indicators
Evictions in North Carolina

16% of NC renters said they could not pay next month's rent in June 2020, 44% had slight confidence. (Census data)
Housing data by race and ethnicity

Black and Hispanic or Latino Renters could not pay the rent at higher rates than any other group since April 2020

37% of Hispanic or Latino respondents did not receive a stimulus payment at all.

Next Steps

• Webinar 2 on October 28 - you’re registered!
  • Initial case studies about local strategies
  • How to use data indicators to benefit recovery efforts

• Invite your networks to join webinar series
  • October 28
  • November 18
  • January 27

• Check out resources: go.unc.edu/covid19resources

• Webinar Evaluation Survey – only 4 questions
  Link in chat box & by email
Stay Connected

• Email: nclMPACT@unc.edu

• Twitter: @nclMPACTsog and @NCGrowth

• Facebook: NCImpact Initiative and NCGrowth
Appendix
Detailed Map of Who Wears Masks in U.S.

Mortality Across the State

Figure 2: Correlation Between COVID-19 Deaths and Population Below Poverty Line

Source: NC Department of Health and Human Services North Carolina COVID-19 Dashboard and US Census American Community Survey 2018

Source: https://publicpolicy.unc.edu/the-impact-of-covid-19-on-north-carolina/
Probability of Death Once Infected

Figure 1: Top 10 Counties With Greatest Probability of Death Once Infected With COVID-19

6/10 of these counties have 6+ animal farms

Source: NC Department of Health and Human Services North Carolina COVID-19 Dashboard
Data were updated as of July 7, 2020.

Source: https://publicpolicy.unc.edu/the-impact-of-covid-19-on-north-carolina/
Number of Small Businesses in At-Risk Industries

Data Source: Brooking’s analysis of Census Bureau's 2017 County Business Patterns (CBP)
Food Access

Source: Kenan Institute of Private Enterprise, Sharecare https://kenaninstitute.unc.edu/dashboard/reopening-amid-covid-19/
Figure 7: Food Insecurity in North Carolina, April-July 2020

Source: Household Pulse Survey Data Tables, US Census Bureau, 2020
Note: Food insufficient includes survey respondents who chose “sometimes not enough to eat” or “often not enough to eat”
Author: Lauren Talley
Source: Household Pulse Survey Data Tables, US Census Bureau, 2020

Note: Food insufficient includes survey respondents who chose “sometimes not enough to eat” or “often not enough to eat”

Author: Lauren Talley
Figure 11: Source of Free Meals or Groceries, (Average) April-July, 2020

Source: Household Pulse Survey Data Tables, US Census Bureau, 2020

Note: Data represents the percent of those who indicated they received free meals or groceries

Author: Lauren Talley