



REGION REPORT

“Local Solutions to Regional Problems”

Winter 2004

Volume 2, Issue 1

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Historical Trends & New Construction!
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Extra, Extra!!!:
City of Newberry Conducts Downtown Market Study

Welcome to the Winter 2004 edition of the **CMCOG Region Report.**

This issue of **Region Report** focuses on Newberry County, the smallest in area of the four counties in the Central Midlands Region (631 square miles) and the second smallest in population with 36,108 inhabitants in 2000 (28th most populous county in the State). Newberry County is located in the northwest of the Central Midlands region and upon its formation from the Ninety-Six District in 1785 was described as the largest tract of unbroken farmland in South Carolina. Newberry County was settled by German, Scots-Irish and English immigrants. Up to the Civil War, cotton was the primary crop. Today, much of Newberry County remains agricultural, with corn, millet, wheat and soybeans now the staple crops. In addition, dairy, poultry and cattle farming, as well as forestry number among the main agricultural activities in the County.

Over the last decade, Newberry County has experienced much regeneration both in Downtown Newberry as well as in the surrounding areas. The City of Newberry, home to Newberry College, a Lutheran-supported college founded in 1856 and the newly-restored Newberry Opera House is arguably the largest commercial and cultural center between Columbia and Greenville and has been listed as one of *The 100 Best Small Towns in America*. In recent years, Main Street in Newberry has been attractively renovated and a number of new shops and restaurants have also opened. The primary commercial artery in Newberry County is Wilson Boulevard (US 76), which in recent years has seen several new shopping centers constructed, such as the *WalMart* and the *Heritage Shopping Centers* on SC 219

While Newberry remains the commercial hub in the County, the rural nature of the rest of the County continues to attract many new residents, particularly the areas around Lake Greenwood and Lake Murray. Newberry County also has its fair share of industry. The Newberry County Industrial Park located on I-26 between Columbia & Greenville is attractive to industry. However, if the recent growth is to continue, new industry must be attracted reduce the local unemployment rate and to discourage local residents from having to travel outside Newberry County to work, as 41% of the labor force currently do.

To find out more about Central Midlands COG and the information presented, please visit our web site at:

www.centralmidlands.org

In Focus:



Newberry County

Market Area:

Newberry County is one of two predominantly rural counties in the Central Midlands Region. The majority of the population resides in the southern portion of the county, with the northern part of the County occupied by the Sumter National Forest. The main population center of Newberry County is its county seat of Newberry (population 10,580). Other municipalities in Newberry County include Whitmire (population 1,512), Prosperity (population 1,047), Little Mountain (population 255), Silverstreet (population 216), Pomaria (population 177), and Peak (population 61)

The Economy:

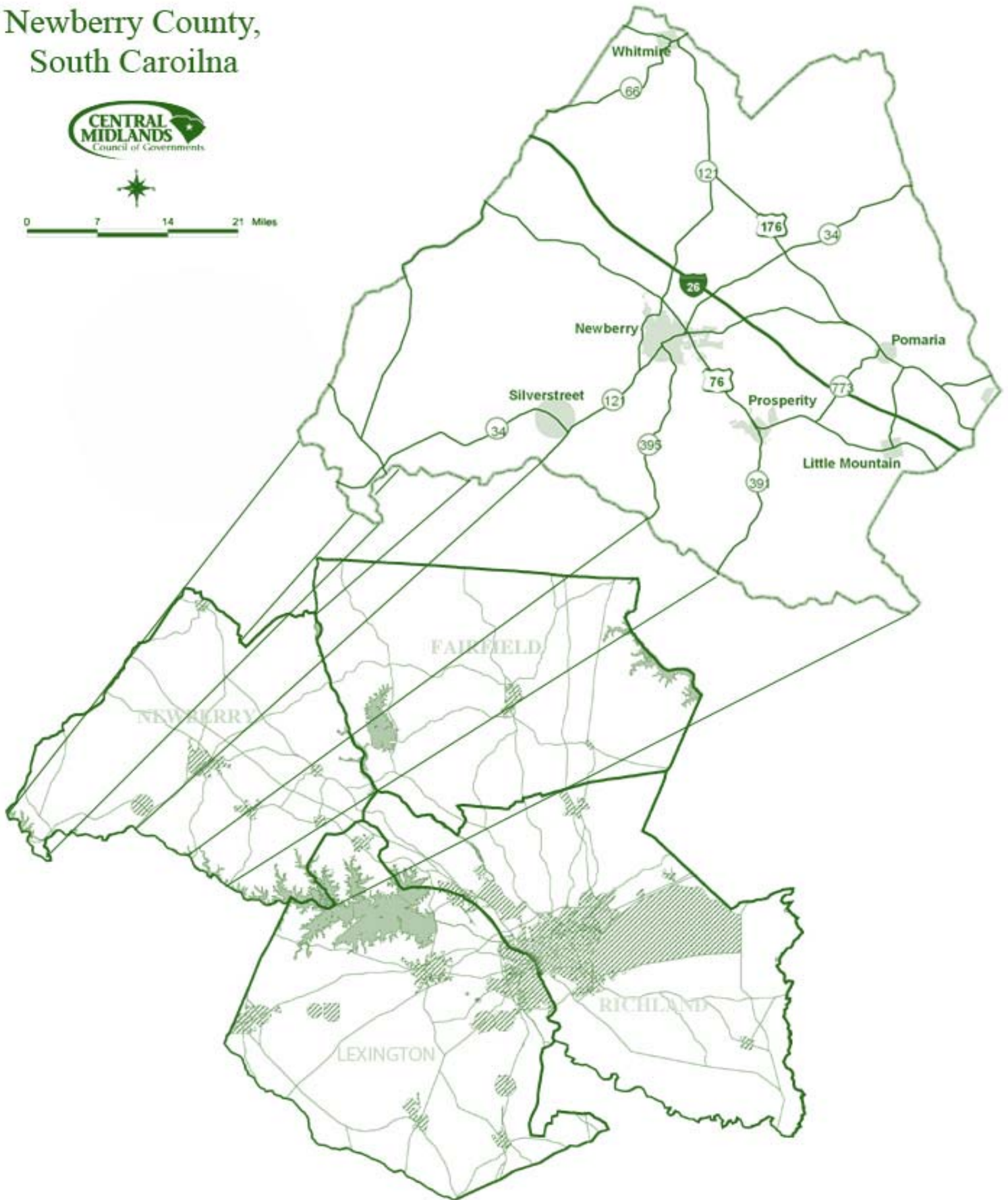
In 1990, the civilian labor force of Newberry County was 16,247. By 2000, the labor force in the County had risen slightly to 17,238; an increase of 6.1%. Labor force estimates for Fall 2004 show 19,503 persons; an increase of 13.1% from 2000.

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Newberry County, South Carolina



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Newberry County Development Climate

(Continued from page 1)

Employment for residents of Newberry County is divided as follows: Manufacturing - 33.1%; Services - 20.7%; Government - 18.3%; Wholesale/ Retail Trade - 13.1%; Construction - 6.1%; Agriculture/ Mining - 4.7%; Transportation - 2.1% and Finance, Insurance, & Real Estate - 1.9%.

Given the rural nature of Newberry County, it comes as no surprise that more people (4.7%) are employed in agricultural activities than is seen in urban areas of our region. Blue collar jobs account for the majority of employment (over 50%), in particular in the manufacturing sector. In October 2004, Newberry County had an unemployment rate of 6.1%, its lowest since early 2001, which is slightly lower than the SC average of 6.5%. Despite the harsh economic climate, Newberry's local economy appears to be in an upswing. Recently, *International Paper* announced a \$12.3 million expansion in Newberry County and *Genlyte Thomas*, manufacturer of fiberglass utility poles announced it was building a new \$8.7 million plant in Newberry County.

One of the problems facing economic development in Newberry County is the fact that many county residents (41%) work outside of Newberry County. 36% of County residents travel more than 30 minutes to work each day. Only 31% had a journey to work that took less than 15 minutes.

Population

The population of Newberry County has increased steadily over the last 25 years. Between 1980 and 2000, the

population grew from 31,149 to 36,108, an 15.9% increase. By 2005, the population is expected to increase to 37,290 an increase of 1.9% from 2000. It is projected that the area will grow to 38,520 by 2010, 39,770 by 2015, 41,060 by 2020 and 42,310 by 2025, a growth rate of 17.2% over 25 years.

Housing

In 2000, there were 14,026 occupied housing units in Newberry County, an increase of 1,712 (13.9%) from the 12,314 reported in 1990. A high percentage of units (16.5%) are vacant. One third of area households were comprised of two person households. Few households (8.6%) have more than 5 persons. 29.1% of households in Newberry County were families with children. Homeownership rates in Newberry County are high, with 76.8% of residents owning their homes. The remaining 23.2% are renters. The majority of the housing stock (68.1%) is single family housing. Multi-family housing accounts for just 7.3% of the housing stock with mobile homes accounting for 24.6%.

Demographics & Income

Newberry County's population has the following racial characteristics: White - 63.8%; African-American - 33.4%; Other - 2.8%. Newberry County also has the following population age

Newberry County's Major Employers

Employer	No. of Employees
Louis Rich	1,387
Newberry County School District	850
Renfro Corporation	560
Newberry Hospital	400
Georgia-Pacific	387
American Fiber & Fshg	306
Shakespeare	282
McKechnie Components	171
Sea Pro Boats	160
ISE Newberry, Inc	150

Source: SC DOC Industrial Directory

characteristics: under 5 years: 6.1%; 5 - 19 years: 19.1%; 20 - 34 years: 20.5%; 35 - 54 years: 27.0%; 55 - 64 years: 28.2%; 65 - 84 years: 12.5% and 85 years and older: 2.3%. With a median age of 38.1, Newberry County has the oldest population of any county in the region. 19.1% of the county's population are aged 60+ ; the same proportion as are aged 5-19 years!

The median household income for Newberry County at the last Census was \$33,039, up 40.6% from \$23,496 in 1990. 2004 estimates show a median household income of \$35,434. The median family income was \$40,580, up 44.9% from \$28,005 in 1990. These figures indicate a tremendous upturn in individual wealth over the last decade.

Education

The Newberry County School District serves over 5,900 K-12 students in Newberry County in 8 elementary Schools, 2 middle schools &

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CMCOG Market Areas

The Metro Core area is made up of the following areas: Downtown Columbia, South Richland, East Richland, North Richland, St. Andrews and Cayce / West Columbia areas; the North East area includes Fort Jackson, Richland North East, Blythewood and Cedar Creek areas; the North West sector is made up of the Dutch Fork/ Irmo, St. Andrews & Chapin areas; the Lexington area comprises the immediate vicinity of the Town of Lexington; the Southwest Lexington area includes South East Lexington and West Lexington County areas; the Lower Richland area includes Horrell Hill, Hopkins and Eastover. The other areas comprise Fairfield and Newberry Counties.

Schools (Continued)

(Continued from page 3)

3 high schools. Extensive renovations have recently taken place at Newberry Elementary on the site of the original Newberry High building dating to 1927, and a new Gallman Elementary opened in August 2004. A new Boundary Street School is currently under construction.

There are two higher education establishments in this sector: Newberry College, a Lutheran sponsored institution has over 750 students and Piedmont Technical College has a campus in Newberry.

Education levels in Newberry County are as fol-

lows: 32.8% of persons aged over 25 who reside in the County have at least some college education. 14.8% possess at least a bachelor's degree; 4.2% have a masters degree or possess doctorates and 30.9% of residents have not completed a high school education.

Distances to Major Markets from the Downtown Area

Downtown Columbia
41 miles

Charlotte, NC
95 miles

Charleston, SC
151 miles

Atlanta, GA
211 miles

Raleigh, NC
263 miles

Washington, DC
492 miles

Newberry County Schools			
School	No. of Students	School	No. of Students
Newberry High	898	Gallman Elementary	410
Newberry Middle	717	Pomaria-Garmany Elem	347
Mid-Carolina High	574	Whitmire Elementary	329
Mid-Carolina Middle	568	Little Mountain Elementary	269
Boundary Street Elem	496	Whitmire High	219
Prosperity-Rikard Elem	481	Reuben Elementary	200
Speers St Elementary	414	Newberry Academy	300

Connectivity in Newberry County is vital to the movement of people and goods. The County is served by Interstate 26 which links Charleston and Asheville, NC and other major highways such as US 76, US 176, SC 34 and SC 121 serve as major trucking routes through the county. Newberry County is also well served by rail links operated by CSX and Norfolk & Southern Railroads. Newberry County is also served by Newberry Municipal Airport.

Transportation

Currently, there are two highway improvement projects underway in Newberry County. SC 219 between I-26 and the Newberry City limits is currently 50% complete and Phase 2 of SC 121 from US 76 to I-26 is scheduled to begin construction in 2005.

The following highway projects have been identified as needs in Newberry County as part of the recent Rural Long Range Transportation Plan: The need for

a truck bypass around the Town of Prosperity was expressed to improve safety, as was improving shoulders or adding leather turn lanes or acceleration/deceleration lanes to ease congestion as appropriate at locations such as along CR Koon Hwy; SC 391 and SC 34.

Also, as many County residents work in Columbia, traffic along I-26 is often heavy. As a response, the CMRTA has initiated a commuter bus service from Newberry to Columbia to ease some of the congestion.

Building Permit Activity

Building permit activity in Newberry County reflects the rural nature of the area. The majority of building permits issued in the County are located around the City of Newberry, with pockets of development around Lake Murray and Lake Greenwood. These latter areas are predominantly single family home permits.

Property values in Newberry County vary greatly, however, the average single family home value in this sector is around \$78,000; almost \$30,000 less than in Lexington County. Homeownership is however, more affordable in Newberry County. Smaller, older homes in Downtown New-

berry can be found for around \$80,000, while lake-front properties average around \$225,000. Older historic homes in Newberry and Prosperity sell for \$500,000, and the more desirable water-front properties can fetch over \$1 million. The primary prob-

(Continued on page 5)

Building Permit Activity (Continued)

(Continued from page 4)

lem restricting both residential and commercial growth in Newberry County is the lack of water and sewer in the more rural portions of the region. However, the Newberry County Water & Sewer Authority is actively seeking to expand service into the eastern portion of the County around Pomaria, as well as other rural pockets, which should serve to spur further development.

Historical: Single Family homes account for the majority (48.5%) of the value of permits issued in Newberry County. Between 1999 and 2003, 666 permits were issued for new homes in this area, totaling over \$88 million in value. This trend is expected to continue as the population growth continues around Lake Murray and as infrastructure is extended throughout Newberry County.

Residential: The single family housing market continues to remain constant in New-

berry County with an average of 133 new single-family homes permitted over the last 5 years. Between 1999 and 2003, 666 single family housing permits were issued at an average cost of around \$132,421. The majority of these homes (64.8%) are located in the major residential growth area of the county around Lake Murray.

There have been very few multi-family housing permits issued over the last 5 years. Only 9 Multi-Family housing permits have been issued in Newberry County since 1999. Multi-Family housing accounted for only 7% of the housing stock in the Newberry County in 2000. The City of Newberry is the only place in Newberry County which has Multi-Family housing units. (See Page 6 for more apartment information).

Non-Residential: The total value of non-residential permits issued for new construction since 1999 was \$69.2 million, with business permits accounting for

70% of these non-residential permits (\$48.7 million). The remaining permits were for churches (\$2.6 mill.), schools (\$0.6mill.), factories (\$7.8 mill.), storage facilities (\$1.7 mill.) and shops (\$7.7 mill.). The most notable permits to be issued since 1999 were for \$4.8 million to construct a Super Walmart on SC 219 & US 76; \$2.2 million to construct Thomas & Howard's facility in 1999; \$6.5 million to construct the Komatsu plant on SC 219 in Newberry .

In 2003, the largest permit issued in this area was for \$1.3 million to construct premises for a business on Sweet Springs Road in Newberry. In 2004, notable permits issued include \$2.4 million for an addition for International Paper on College Street in Newberry and \$1 million to build an Employment Security One Stop facility on Main Street in Downtown Newberry.

Conclusion

In conclusion, development in Newberry County, despite its rural characteristics remains quite strong. Commercial development is centered on the City of Newberry due to its central location within the county. Residential development will continue to be focused around Lake Murray and Prosperity for the foreseeable future. Population projections show almost 4,500 additional residents moving into the Prosperity and Lake Murray area in Newberry County by 2025. On the other end of the spectrum, the Whitmire area of northern Newberry County is not expected to see the development expected elsewhere in the County and is expected to retain its rural character over the coming years.

Data Collection

All building permits issued for the construction of new residential units or the construction of nonresidential structures are included. In addition, building permits issued for additions, alterations or repairs on nonresidential structures are included if the value of the work was listed for \$25,000 or greater. Also included are the additions and repairs to residential structures costing over \$10,000. Central Midlands COG has elected to study the cost of repairs more closely to attempt to determine where regeneration of older housing stock is taking place.

Permits issued for the construction of garages, carports, swimming pools, storage sheds, etc. on residential property are not included in this study.

Newberry County Building Permits				
Permit Type	2002		2003	
	Number	Average Cost	Number	Average Cost
Additions	24	\$252,700	59	\$43,587
Assembly	1	\$500,000	1	\$1,081,907
Business	16	\$439,137	17	\$228,718
Education	0	\$0	1	\$150,700
Factory	1	\$745,000	2	\$139,344
Mercantile	0	\$0	3	\$508,667
Multi Family	4	\$64,000	0	\$0
Single Family	135	\$137,868	127	\$146,689
Repair	81	\$42,562	36	\$139,200
Storage	2	\$126,783	40	\$24,219

Source: CMCOG Building Permit Studies, 2002 & 2003

Multi-family Housing Development

Multi-Family housing does not represent a significant portion of the housing market in Newberry County, accounting for just 7% of the market share. In 2003, there were 15 multi-family housing complexes containing 659 apartment units in Newberry County. Of these units, 52 (8.5%) were non-subsidized units (Type A units), 607 were subsidized/Section 8 units (Type B units) and 375 were retirement units. Due to the low total number of multi-family units available in Newberry County, vacancy rates are low. In 2003 less than 1% of all apartments were vacant. The Newberry County vacancy rate is significantly lower than the Columbia Metropolitan area's total vacancy rate of 6.9% in 2003, but can be attributed to the small market.

Due to the nature of the market, there have been no new apartment complexes constructed in Newberry County since 1990. In 2004, the construction of the first new complex was in 14 years was announced. Drayton Village, a new 16 unit development is to be constructed at 700 Center Street, Newberry.

Subsidized housing and retirement facilities account for the majority of the small multi-family market in

Newberry County. The Newberry Housing Authority operates the majority of subsidized units and Newberry

County operates 2 of the larger retirement complexes, JF Hawkins and Springfield Place.

Largest Multi-Family/Retirement Developments In Newberry County		
Development	# of Units	Management
Julian E. Grant Homes	200 Units	Newberry Housing Authority
White Oak Manor Retirement Home	146 Units	White Oak Manor
J.F. Hawkins	118 Units	Newberry County

Source: CMCOG Multi-Family Survey, 2003

Commercial Development Trends

Commercial development tends to reflect residential growth patterns, and as a result, commercial activity in Newberry County is centered around the County Seat. Newberry County does not have any leasable office space which fits the criteria for our studies, but does have significant retail and warehouse space. In 2003, Newberry County had 7 retail developments totaling 450,482 square feet. This ranks second among the 4 non-metropolitan counties surrounding Columbia (Newberry, Fairfield, Kershaw and Calhoun), behind Kershaw County with 543,889 square feet. Since 1998, the Newberry County sector has added 44,000 square feet of retail space with the construction of the Heritage Shopping Center in Newberry in 2002. Rental rates average \$6.66 per square foot down from the 1999 average of \$6.88 per square foot.

In 2003, vacancy rates in retail properties in Newberry County were the highest of the 4 non-metropolitan counties with 162,980 square feet (36.2%) vacant. In 1998, the vacancy rate was just 21.3%. One new structure, The Shops At Heritage is planned for construction in 2005.

In 2003, Newberry County had 432,560 square feet of available warehouse/factory space ranking third out of the 4 non-metropolitan counties and contains 4 of the 23 vacant warehouses/factories surveyed. The largest vacant warehouse/factory space in Newberry County is the former Westpoint Stevens plant in Whitmire, which at 342,000 accounts for 79% of available space. Attracting a developer to this property would revitalize this mill town, which has struggled since the plant closed down several years ago. Newberry County also has over 1,300 acres of land currently available for commercial development.

Newberry County Commercial Space		
	Ware-house	Retail Space
Square Feet	432,560	450,482
Vacancy Rate	100%	36.2%
Market Share - Non-Metro	18.9%	32.5%
Av. Rental Rate	Varies	\$6.66

Selected Statistics for Newberry County

2000 Census Data

AGE			
	Total	Male	Female
Total Persons	36,108	17,421 (48.2%)	18,687 (51.8%)
Under 5 Yrs	2,326	1,186	1,140
5-17 Yrs	6,375	3,271	3,104
18-34 Yrs	8,212	4,113	4,099
35-54 Yrs	10,309	5,079	5,230
55-64 Yrs	3,563	1,716	1,847
65-84 Yrs	4,617	1,883	2,734
85 Yrs & older	706	173	533

RACE						
	White (%)		Black (%)		Other (%)	
Age	Male	Female	Male	Female	Male	Female
Under 5	650	623	463	451	73	66
5-17 Yrs	1,710	1,604	1,429	1,388	132	112
18-34 Yrs	2,547	2,394	1,309	1,568	257	137
35-54 Yrs	3,435	3,337	1,534	1,808	110	85
55-64 Yrs	1,299	1,337	402	494	15	16
65-84 Yrs	1,513	2,120	355	599	15	15
85 +	133	413	39	119	1	1
Total	11,287	11,828	5,531	6,427	603	432

2000 Income	
Income	H-holds
Below \$10,000	2,170
\$10,000-\$14,999	1,093
\$15,000-\$19,999	971
\$20,000-\$24,999	1,026
\$25,000-\$29,999	1,143
\$30,000-\$34,999	992
\$35,000-\$39,999	886
\$40,000-\$44,999	945
\$45,000-\$49,999	736
\$50,000-\$59,999	1,217
\$60,000-\$74,999	1,120
\$75,000-\$99,999	1,029
\$100,000-\$124,999	403
\$125,000-\$149,999	161
\$150,000-\$199,999	76
Over \$200,000	73
Average HH Income	\$32,867

Housing Values (Owner-Occupied Units)	
Value	# of Houses
Less than \$19,999	1,051
\$20,000-\$49,999	2,650
\$50,000-\$79,999	2,495
\$80,000-\$99,999	1,708
\$100,000-\$149,999	1,399
\$150,000-\$199,999	855
\$200,000-\$299,999	455
\$300,000-\$399,999	64
\$400,000-\$499,999	36
\$500,000-\$749,999	7
\$750,000-\$999,999	22
\$1,000,000 +	17

Educational Attainment (Ages 25+)	
Level	# of Persons
Less than 9th Grade	2,803 (11.6%)
9th-12th Grade	4,571 (19.2%)
High School Graduate	7,990 (33.5%)
Some College	3,427 (14.4%)
Associate Degree	1,522 (6.4%)
Bachelor's Degree	2,545 (10.7%)
Graduate Degree	997 (4.2%)

Occupancy	
	Total
Total Housing Units	16,805
Vacant	2,779
Occupied	14,026
Owner-Occupied	10,776
Renter-Occupied	3,250

Poverty	
Persons Below Poverty Level	5,984
Persons Above Poverty Level	29,126

Newsletter Format

The newsletter will focus on each of the areas of the Midlands in turn.

Each newsletter will highlight the latest developments in each area to give a brief overview of each sector of the Central Midlands region. More detailed information can be found on our website.

Source: 2000 Census of Population and Housing



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Central Midlands Newsletter

EXTRA, EXTRA!!!

For further information on Central Midlands Council of Governments, please visit our webpage:
www.centralmidlands.org

City of Newberry Performs Downtown Market Study

In August 2004 the City of Newberry was awarded \$20,000 in CDBG funds by the S. C. Department of Commerce, Office of Grants to undertake a market analysis of the Downtown area of the City of Newberry. The City must match this grant with \$2000 of local cash.

The city has experienced a long decline in the economic health of its commercial core since the U.S. 76 bypass was completed in the 1960s. Recently, further commercial development has occurred near the intersection of US 76 (Wilson Boulevard) and SC 219 east of the city. This activity means that the economic role played by the historic commercial core of Newberry must be re-evaluated to determine new roles and activities that will mesh with investment in the restored Opera House and other commercial buildings in the center of Newberry now undergoing an economic renaissance. The grant will encompass the following activities with the dedicated purpose of enhancing the living standards of low and moderate income persons in all of Newberry.

- Evaluate the feasibility of converting the second and even third stories of commercial buildings in the commercial core to residential purposes.
- Assess and inventory existing retail uses in the commercial core
- Identify gaps where money is being lost to other markets and list steps to keep that money in downtown Newberry
- The final component of the project will be to use a charrette process to involve citizens and business leaders in planning for the commercial future of the city and also to list action steps that will implement the findings and recommendations of the planning analysis.

The grant award is for a period of one year. The city has procured the services of Arnett Muldrow & Associates of Greenville to perform all work associated with the project. The grant will be administered by Central Midlands staff under contract with the City of Newberry. The projected completion date for grant activities is June 30, 2005.