

# **Agricultural Outlook Forum 2007**

**Presented: Thursday, March 1, 2007**

## **Creating Public-Private Partnerships To Develop Rural and Small Town Infrastructure: USDA RURAL DEVELOPMENT Rural Development and Mount Olive, North Carolina George R, Kornegay, Jr.**

### **Mount Olive, North Carolina**

As you can see from the title of my comments I will talk about creating infrastructure in order to develop rural areas. Mount Olive, North Carolina, is located in the southern part of Wayne and northern part of Duplin County. For many years, Mount Olive was basically a rural farming community.

I am sure that most of you are familiar with the movie "Field of Dreams," and the phrase "Build it and they will come." Creating the infrastructure will not assure you that economic development will come, but I can guarantee you that without it, you will not even get a look.

Slide #1

Infrastructure includes more than just water and sewer. It includes housing, transportation, healthcare and educational facilities, an educated workforce and quality of life issues.

According to the last census, Mount Olive has a population of just over 4,900 persons living within the city limits.

Slide #2 is a view of the Mount Olive City Hall.

Slide #3 is a view of the downtown Mount Olive including a branch of Southern Bank. Southern Bank began in 1901 as a local bank. It was formerly the Bank of Mount Olive. The name was later changed to Southern Bank as it began to expand. It now has 55 branches all located in rural eastern North Carolina.

Slide #4 is a view of Mount Olive Pickle Company sign.

Mount Olive Pickle is the oldest industry in Mount Olive. From a modest beginning in 1926 with only a 3,600 square foot facility and \$19,500 in capital, it has grown to 110 acres and 675,000 square feet of production, office and warehouse space.

The largest employer in Mount Olive, Mount Olive Pickle Company has 500 permanent employees, and grows to about 800 during the busy season. With distribution in over 45 states, Mount Olive Pickle is the second best selling brand of pickles in the country.

It is a privately owned stock company and most shareholders are located in the Mount Olive area.

Mount Olive Pickle is named for its hometown, and each April, the community celebrates the NC Pickle Festival. Proceeds from the festival benefit local initiatives. Residents also turn out for the annual New Year's Eve Pickle Drop, held at the Corner of Cucumber and Vine. The drop occurs at 7 pm, which is midnight Greenwich Mean Time. The company and its employees contribute about \$450,000 in cash and product donations to community organizations each year.

I can give you some examples of what we have done to create the infrastructure and the environment for economic development. We are fortunate to have a pro-active local government and a cooperative local newspaper that generally views things with a positive spin.

We have been able to create public-private partnerships to improve our infrastructure. USDA RURAL DEVELOPMENT has been involved in many of these partnerships.

### **Single Family and Multi Family Housing**

USDA RURAL DEVELOPMENT has invested more than 16.4 million dollars in single family housing in the Mount Olive area. Since 1980, USDA RURAL DEVELOPMENT has invested some 4.6 million dollars in loans and 5.7 million dollars in rental assistance in four multi-unit housing areas. These four projects have 180 units.

Slides #5 and #6 show Northpoint, a 24-unit facility dedicated to our elderly.

### **Mount Olive Boys and Girls Club**

Slides #7 and #8 are photos of the Boys and Girls Club.

The town partnered with the Boys and Girls Club to build a new building. The project was funded with a \$235,000 loan and a grant of \$124,500 grant from USDA RURAL DEVELOPMENT.

Slide #9 is a picture of the fire truck.

The town has also been able to get funds from USDA RURAL DEVELOPMENT for a fire truck and IT upgrades.

### **Local Airport**

Slide 10 #Terminal

Slide #11 Hangars

Mount Olive was able to secure a loan of \$225,000 from USDA RURAL DEVELOPMENT to construct 10 airport hangers to house planes based at the airport. All 10 hangars are leased, thus creating sufficient funds to service the loan.

Many area industries use the airport and we are in the process of expanding the runway to 5,000 feet to accommodate jet service.

### **Mount Olive Industrial Park**

We were able to form a partnership with the county, state and several funding agencies to build a fully certified industrial park.

Slides #12 and #13—Park Sign and Shell Building  
Slide #14 Andy's Corporate Headquarters

By having a shell building we are able to attract industrial prospects. We were able to attract Andy's to locate its corporate office and distribution warehouse to the park. Andy's is a fast food franchise that was started with one unit in 1991. Currently they have 104 franchise units in North Carolina.

USDA RURAL DEVELOPMENT funded a grant of \$99,500 for infrastructure to the park and several state grants were also secured.

### **Sewer Expansion**

Slide #15 sign  
Slide #16 construction site

We realized some six years ago that sewer expansion was necessary. Wastewater treatment is expensive and not affordable for many small communities. We decided to go to a regional system that would offer services to the neighboring small town of Calypso. Calypso has about 500 residents and did not have sewer which was badly needed. A regional system was designed to double the capacity of the Mount Olive plant to take care of our long-term needs and offer services to Calypso.

Now some six years later we are in the construction phase thanks to USDA RURAL DEVELOPMENT's investment of \$10,370,000—a grant of \$4,000,000 and a long-term loan of \$6,370,000.

USDA RURAL DEVELOPMENT had previously invested \$340,000 in water improvements and \$1,109,700 in sewer improvements.

### **Mount Olive College**

Slide #17 MOC Sign

Mount Olive College is a private liberal arts college located in Mount Olive. The College has founded by the Original Free Will Baptist Church in 1951. Thanks to the President's Faith Based Initiative, Mount Olive College Foundation was able to secure a long term USDA RURAL DEVELOPMENT loan in the amount of \$15,685,000 in order for the College to complete three new buildings that will almost double the campus facilities. The town also secured a grant of \$80,000 from USDA RURAL DEVELOPMENT for sewer lines to the college

The three new buildings are:

Slide #18 construction sign

### **Raper Academic Building**

Slide #19 Raper Building

This 42,000 square foot facility has state of the art classrooms, labs and office space. The building also has a 500-seat auditorium that can be used for community events. This building is named in honor of Dr. W. Burkette Raper and his wife Rose M. Raper. Dr. Raper served more than 40 years as president of MOC making him the longest serving college president in the nation.

The commitment of the Rapers to Mount Olive is unparalleled. At the retirement of Dr. Raper as president in 1995, it was said,

“Burkette raised a college and his wife Rose raised a family of six children.”

Dr. Raper continues to serve the college in the area of Planned Giving.

Slide #20 Raper Hall Auditorium

Slide #21 Raper Hall Science Lab

Slide #22 Classroom with Computer

### **Communications Building**

Slide #23 Outside View of Communication Building

This building is attached to Moye Library and houses the college telecommunication system that connects MOC's 6 locations located at Seymour Johnson Air Force Base, New Bern, Wilmington, Research Triangle Park, and Washington and Mount Olive. It contains state of the art information technology, video conferencing equipment, and a large computer lab.

The College was awarded a \$61,494 grant by USDA RURAL DEVELOPMENT to be used for distance learning classroom technology and acquisition of instructional programming to serve rural medical professionals and rural residents of North Carolina through live broadcasts of National Telehealth Virtual Grand Rounds and related distance learning telehealth educational services.

East Carolina University Telemedicine Center—Brody School of Medicine will serve as the primary broadcasting hub of the project.

Slide # 24 Media Area

Slide # 25 Stacks

### **Pope Wellness Center**

Slide #26 Outside View of Pope Wellness Center

The Wellness Center will serve the needs of the community in addition to the students and faculty of the college. The building is named for the Pope Family who has been great supporters for many years.

The facility contains a full basketball court, all types of cardiovascular fitness equipment, locker rooms and a health room. The community is making good use of the facility. Over 250 persons have received health assessments and are using the equipment. Another 120 persons have signed up for assessments which are required before use of the equipment.

Slide #27 Equipment Room

### **Mount Olive Family Medicine Center**

Mount Olive Family Medicine Center is a non-profit health center that was the dream of Dr. Robert H. Shackelford and Dr. Hervy B. Kornegay. Both began as sole practitioners in Mount Olive. Dr. Shackelford graduated from high school and entered Wake Forest at sixteen years of age. He began practice in Mount Olive in 1949 at the age of 23. He later served two years in the Army during the Korean War. He is now 81 and continues to practice part time.

Dr. Kornegay, a Wake Forest graduate, has practiced in Mount Olive since the 1960's. He continues to work almost full time.

The two of them joined together and built a 5,000 square foot office in 1969.

In 2001, we began an effort to build a state of the art healthcare facility to serve the community needs. We met with USDA RURAL DEVELOPMENT and it was agreed that they would help if the community would raise \$250,000 for the project.

The community formed a partnership with USDA RURAL DEVELOPMENT, North Carolina Rural Health, Duke Endowment and Kate B. Reynolds Foundation to make the facility a reality.

NC Rural Health.....	\$185,000
Duke Endowment.....	\$300,000
Kate B. Reynolds.....	\$400,000
Community.....	\$255,000
USDA RURAL DEVELOPMENT grant.....	\$500,000
USDA RURAL DEVELOPMENT Loan.....	\$1,200,000

The facility was opened in 2003 with a 16,000 square foot building

Slide #28 Sign Mount Olive Family Medicine Center

Slide #29 Exterior of building

Slide #30

Dr. Kornegay on the left and Dr. Shackelford on the right; in the center is a plaque with the list of community investors.

Slides # 31, 32, and 33 show the interior of the center.

Since 2003 the clinic has grown from 13,500 to 29,600 active patients with 44 employees. We have already outgrown the facility and have set up office space in the lobby.

### **New Industry**

Slide #34 Recent Investment by Case Farms

These slide shows Case Farms feed mill and an investment of \$35,000,000.

Slide # 35 shows a new Walmart under construction

I am convinced that without the creation of the infrastructure the feed mill and Walmart would not have been possible.

In closing, let me sing the praises of  
John Cooper, state director  
Roger Davis, Community Program Director  
Ed Causey, Area Director

All the people and their staff have been extremely helpful. Without their help and dedication many of the things discussed today would not have been possible.

