



*BIG STONE GAP'S ABILITY TO LEVERAGE OUTDOOR ASSETS HAS ALLOWED IT TO REMAIN SUCCESSFUL IN DEVELOPING TOURISM AND SUPPORTING LOCAL BUSINESSES, EVEN IN THE FACE OF A PANDEMIC.*

Since the last case study in 2008, Big Stone Gap has continued the strategy of supporting local entrepreneurs and growing the ecotourism industry. “The town’s strategy for tourism entrepreneurship has been successful throughout the past years and it has shown through our unemployment rates,” former mayor James “Cotton” Stone says. “We have lowered our unemployment rates throughout the past 10 years and although it was very high near 2017, we have brought it down from 8.5% (in 2017) to 6.6% (in 2018), to 5.4% in 2019.”<sup>1</sup> Stone shared in 2019 that a central goal of the town is to continue decreasing this rate. In 2021, Big Stone Gap now has more jobs available than people to fill them. According to Ked Meade, Director of Tourism and Economic Development, there are help wanted signs all over town and restaurants are having to close early due to being understaffed.<sup>2</sup> In spite of the challenges faced, the past two decades have seen Big Stone Gap grow in reputation as a prepossessing historical site thanks in part to publication features such as the following:

- Film features people, places of Big Stone Gap (Richmond Times)
- Big Stone Gap, VA; What you need to know (Livability)
- Appalachian Hope and Heartbreak (New York Times)
- Big Stone Gap downtown named to historic Virginia Landmarks Register (The Coalfield Progress)

## Tourism

Big Stone Gap continues to offer multiple tourist attractions that range from museums to rivers to mine tours. As Mayor Stone points out, “the strongest assets that this town encompasses are the views and tourist options. We have many nature sites, some of the best in the country, that show how much beauty is contained in a less bothered town. We also have several historic sites that have seemed to be of interest to tourists and locals. My favorite view to

<sup>1</sup> Interview with James “Cotton” Stone, Mayor of Big Stone Gap, VA, March 2019.

<sup>2</sup> Interview with Ked Meade. November 18, 2021

visit, and the one I recommend to all visitors, is the Powell Valley Overlook.” Other sites of interest for tourists including the Devil’s Bathtub and Waterfall, the Southwest Virginia Museum Historical State Park, Trail of The Lonesome Pine Outdoor Drama, Portal 31 Mine Tour, Jefferson National Forest, also known as the Grand Canyon of the South, and the Transamerica Bike Route. The town has not changed its development strategy of tourism because it has continued to grow as a main source of revenue since the coal and textile industries have fallen. Mayor Stone believes that the strategy is working well, but Big Stone Gap is further “developing it even more so that it can be a bigger attraction and hopefully bring more money to help our town economically.”

## COVID-19

Big Stone Gap’s ecotourism industry has continued to thrive despite the pandemic. Director of Tourism and Economic Development, Ked Meade, attributes this in part to the range of outdoor activities available in the town. “...parks, walking trails, hunting, fishing - all those things, they were telling people you could do, we had it in abundance.”<sup>3</sup> Meade also mentioned much of the town’s food is grown and produced locally and there are many local businesses to provide necessary services. This helps protect Big Stone Gap’s economy when widespread disasters hit. During the pandemic, residents had a variety of activities available and were encouraged to shop locally keeping dollars in the community.<sup>4</sup>

## Local Business Retention and Attraction

Big Stone Gap has endured job market decreases and growing unemployment rates in past years. However, the town’s assets include easy access from US route 23,

US route 58, and I-160 which make it a prime center for business. Around 2009, Big Stone Gap adopted an economic development plan to direct this tourism-focused town toward new construction and redevelopment. The goal was to encourage businesses to view the town as a competitive location through four strategic ideas: economic restructuring, marketing and promotion, physical improvement plan, and organization and implementation.<sup>5</sup>

The 2009 plan is still the guiding document behind Big Stone Gap’s economic development strategy. Several components of the plan appear to be on the rise as local businesses have expanded in the last few years—and even more are on the way. The restoration of the Mutual Pharmacy building is one example of this. The former pharmacy and cafeteria, called “The Mutual” by locals, closed in 2013 after six decades of operation, but is now being converted into a restaurant space and short-term lodging to further attract visitors. The project has several funding sources so far, including a grant of up to \$90,000 from the Virginia Coalfield Economic Development Authority (VCEDA) and a \$44,398 Brownfield Restoration and Economic Redevelopment Assistance Fund grant.<sup>6</sup> In partnership with the town’s Redevelopment and Housing Authority, local business owners, Wayne and Tracey Jordan, plan to create a casual restaurant and bar within the space “that will give local residents and visitors alike something to enjoy in Big Stone Gap.” Wayne Jordan cites Mountain Empire Community College’s Small Business Development Center and director Tim Blankenbecler as key resources in helping him to develop a business plan “that got the housing authority’s approval for tenancy.”<sup>7</sup> This partnership highlights the town’s efforts to link local entrepreneurs to the resources needed to succeed—a key lesson from the original case study.

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3 Interview with Ked Meade. November 18, 2021

4 Interview with Ked Meade. November 18, 2021

5 “Economic Restructuring & Physical Improvement Plan, Big Stone Gap, VA.” Arnett Muldrow & Associates. March 2009.

6 “VCEDA Closes on Grant for Big Stone Gap.” VCEDA/Southwest Virginia’s e-Region. October 10, 2018.

7 “Mutual Pharmacy project gets boost from state.” Times News. March 1, 2019.

## Takeaways

A few key insights from the updated case study research include:

- Predicted future job growth over the next 10 years is 9.9%
- Although Big Stone Gap's main focus is tourism, Mayor Stone believes "that the business side of town is the most efficient and economically smart route to grow," which the town is still working to develop.
- Due to the availability of outdoor activities and strong local businesses, the town was able to successfully maintain its tourism strategy throughout the pandemic.
- Partnerships between local businesses and Big Stone Gap officials (such as the Housing and Redevelopment Authority) are enabling new growth opportunities through projects like the restoration and redevelopment of the Mutual Pharmacy building.

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