

Can Rural Counties Cope With Recreation-Induced Development? Western North Carolina's Response

Western North Carolina is well known for its mountains and recreation opportunities. It is promoted as the state's mountain playground, and much of the region's income is derived from tourism and recreation resorts. Historically the region has been underdeveloped, sparsely populated, and has had large tracts of federal land. Asheville, the area's largest city, is one of only five cities in the region with a population greater than 15,000. Through the Great Smoky Mountain National Park, the Pisgah and Nantahala National Forests, and the Blue Ridge Parkway, the federal government owns about 25% of the land area in the eighteen westernmost counties. The major industry in the region has been natural resource-based timbering and logging.

For decades before the 1960s, little growth or change was apparent in western North Carolina. Then, between 1970 and 1980 the aggregate population of the eighteen westernmost counties increased by 17.5%. A major cause of growth is recreation development, especially resorts and second homes. The mountains have been a traditional summering place, but few large-scale second home developments were built before the late 1950s. Since then, second home subdivisions and resorts of fifty to several thousand acres have sprung up. These include retirement communities, ski resorts, and time-sharing condominium resorts.

Recreation-related development is improving the region's economy, but it is also bringing fundamental social changes to the region. Its population is increasing rapidly, with retirees as a major component of growth. Absentee land ownership is increasing. In 1979, a twelve-county study found that 82% of privately held acreage was owned by people from outside the county in which the land was held (Efird and Moretz, 1980). Out-of-state residents held 45% of that amount. Another study found that the average person buying nonfarm land in western North Carolina in 1977 lived over 400 miles from the property purchased. The corresponding figure for the state as a whole was 157 miles (Danielson, forthcoming).

In the past the region has attracted mostly low-wage, slow-growth industries related to textiles, furniture and paper. Current industrial development is accelerating in the region as a whole, but with a very uneven distribution. Numerous new plants are locating in counties near the Interstate 40 and 26 corridors. Coun-

ties with poor highway access, particularly those bordering Tennessee, have gained little new industry. Such counties generally have most of the region's federal land, have little industrial base to start with, and have experienced or will experience much of the recreation development growth. Recreation and tourism can be said to be their major industry.

The recreation industry has very different location requirements from factories. Remoteness, steep slopes, high altitudes, and proximity of federal lands are all assets. Accordingly, resort and second home developments seek out rural, mountainous areas. Such areas usually have few public services and land use regulations. The lack of services and controls is problematic, for recreation development is not without environmental problems. These include

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narrow dirt roads that wash out easily, stream sedimentation, greater concentrations of private wells and septic systems, and unrestrained clearing of forested areas for recreational amenities.

The lack of county ordinances, combined with fears that the region's environment and natural beauty were being degraded, led to a 1975 state legislative proposal for regional land use planning and designation of areas of environmental concern. The Mountain Area Management Act, which was not enacted, met with regional opposition and is unlikely to be revived. Thus, any land use controls will have to come from the local level.

OVERVIEW OF THE REGION

All but one of the four counties with population increases during the last decade of 25% or more have much stronger recreation development than industrial development. These are

Joanna Mack is a recent graduate of the Department of City and Regional Planning, UNC-Chapel Hill. She has been an advisor/planner with Kentucky's Department for Natural Resources and Environmental Protection.

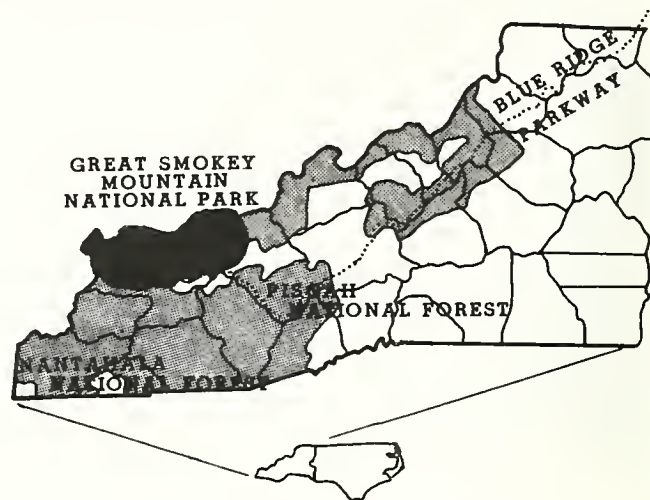
Henderson, Watauga, Macon, and Clay Counties. Henderson County is the exception, as it has been attracting both industrial and recreation development. Twelve other counties in the region experienced 10% or more population increases in the past decade.

New manufacturing plants have been attracted to Buncombe, Henderson, Rutherford, and McDowell Counties; and other more rural counties, such as Mitchell and Madison, have been seriously recruiting industry. In contrast, the six counties with sizable federal land holdings (30% or more in national parks or forests) have not been gaining manufacturing. Much of the recreation development has occurred in these counties, though by no means all of it. Such development has been concentrated in Transylvania, Haywood, Macon, Jackson, Avery and Watauga Counties. Tryon, Highlands, Cashiers, Banner Elk, Blowing Rock, Maggie Valley and Beech Mountain are examples of towns significantly affected by resort development. In addition, a spurt of individual home construction in Clay, Swain and Madison Counties may be attributed to recreation development.

Typically, local governments in the region have three to five part-time county commissioners and small budgets. Only three of twenty-three counties have FY 1982 budgets greater than \$11 million. Twelve county budgets are between \$5 million and \$11 million, and eight counties have budgets below \$5 million. Property tax rates are usually below the state average of \$.75 per \$100 valuation. County staffs are small, though some counties have professional managers or administrators. Few employ professional planners, and county staff who deal with land use matters are most often the sanitarians and building inspectors. Although these personnel are county-funded, they are responsible for enforcing state-mandated regulations.

Little land use or other formal planning has occurred at the county level. Regional land use plans mandated by HUD's 701 program for funding eligibility were prepared by the four regional Councils of Governments (COGs). None of those plans has been adopted as binding by the COG boards, which are made up of local officials. So far the COG and state Department of Natural Resources and Community Development field office staffs have prepared whatever plans have been required by federal agencies or requested by counties.

A phone survey of western county managers and planners indicated that, as of mid-1981, few counties had subdivision and zoning ordinances. Only six of twenty-three counties had subdivision ordinances, and three had county-wide zoning. Two other counties had partial or spot zoning. Subdivision ordinances were pending in three counties, and two counties were considering zoning. The number of counties with such



Generalized map of federal landholdings in western North Carolina.

ordinances has remained constant since the mid-1970s, but the specific counties have changed as ordinances were repealed or enacted. Table 1 lists current ordinances and staff capacities by counties.

THE STUDY

Given their records thus far, how likely are North Carolina's western counties to adopt land use controls? The answer depends in part on local governments' perception of the need for controls and their ability to enforce ordinances. To determine some of the factors affecting regional attitudes about land use regulation, interviews were conducted in six counties during summer 1981, by researchers with the Center for Urban and Regional Studies at UNC-Chapel Hill, with participation of the Center for Improving Mountain Living at Western Carolina University. The people interviewed--county commissioners,

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savings and loan officials, builders, planners, sanitarians, and realtors--were asked questions related to growth management, major local growth-related problems, and land use regulation capacities.

The six counties chosen represented large amounts of federal land ownership (Swain), extensive resort development (Avery), established industry (Haywood), large amounts of retirement home development (Transylvania), long-established resort development (Polk), and mixed institutional and recreation development (Jack-

son). Table 2 gives thumbnail sketches of these counties.

Summary of Findings

1. The existence of ordinances is related to size of county population, quality and amount of development. Generally, the easternmost counties are most likely to have considered or enacted ordinances. The most western counties, with small populations and/or large amounts of federal land, are least likely to have ordinances. Subdivision regulation has been given more consideration than zoning. Counties with some form of zoning, either partial or county-wide, include Polk, Madison, Wilkes and Henderson. Counties that have considered but not adopted zoning include Jackson, Avery, Macon, Caldwell and Watauga.

2. Subdivision ordinances have been adopted in counties where subdivision roads and services have caused problems. Zoning has been less accepted for a number of reasons: public opposition to interfering with a property owner's use of his land, perception that it is not needed, concern about political favoritism in granting variances, and distrusts about the equity of zoning.

3. Reasons for repealing or not enforcing ordinances included: change of county administrations; protests from builders, developers and realtors; lack of an enforcement mechanism or the means to afford one; controversy about specific situations affected by the ordinance; and unsuitability of ordinances based on state models. A compounding factor may be that ordinances were sometimes adopted without adequate consideration of how they would be implemented.

Interview Discussion

The interviews revealed that western counties are moving cautiously toward land use regulation and land policy. A pattern of waiting until the need for regulation is perceived (usually when trouble is occurring) emerged. Most counties do not have the luxury of preventive measures because of limited staff and budgets. County leaders see their role as reading and responding to public mood and opinion. Many counties are too busy trying to balance their budgets for next year to think

much about programs for guiding future growth, despite their concern about the future.

Polk is the only study county that has zoning and subdivision ordinances. Both Haywood and Transylvania Counties have had subdivision regulations which were repealed. In Haywood County the ordinance was never implemented.

However, Haywood County is now reconsidering a subdivision ordinance, largely due to recognized septic system failures in low-lying subdivisions. County realtors and builders are now more favorable to a subdivision ordinance partly because they want rules for self-protection. The county planner has been working with members of the local builders' and realtors' associations in developing the ordinance. The proposal stresses pre-subdivision lot sale checks for septic system suitability, with enforcement by the county health department through septic system permits.

Transylvania County is also taking another look at a subdivision ordinance. Public protest of the earlier ordinance had resulted in a change of administration, repeal of the subdivision ordinance, and repeal of the county's sedimentation and environmental impact laws at the same time. Three of the five county commissioners in the repealing administration were realtors. The county planner is now drafting another subdivision ordinance with the support of the county commissioners' chairman and the planning board. The new proposal will be less restrictive for the "little fellow" than

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the previous ordinance, in order to prevent opposition. It will stress minimum road requirements and lot suitability for septic and water systems. Those interviewed expect the ordinance to pass with little trouble.

Polk County has adopted industrial and rural residential-agricultural zoning for portions of the county. Jackson County discussed zoning at one time and a public education program about zoning was started, but the matter was dropped when another political controversy



came to the fore. Swain County is unlikely to consider zoning because of public animosity towards further government control of land. Avery County seems to have studied land use controls and zoning, but the study committee disappeared between county administrations. Transylvania County's current commissioners do not plan to introduce zoning in the next few years.

Haywood County is now considering zoning enabling legislation that would allow areas in the county to request zoning. The support for this is coming from residents of one second home subdivision who are concerned about high density residential development proposed near them. The draft proposal calls for five residential districts, including a mountainous, very low density district, three commercial, and two industrial districts. A step-by-step procedures section explains the ordinance. The county planner is now working with the head of the homebuilders' association to include the builders' perspective and develop a proposal acceptable to most of the developers.

Despite the scarcity of land use controls, most local leaders interviewed are in favor of zoning, if done reasonably, and subdivision regulations, principally as consumer protection devices. This opinion holds across county commissioners, realtors, savings and loan officers, and sanitarians. However, many say their counties are not ready yet for such ordinances and predict that enactment will occur in about ten years.

Concern was expressed about the quality of subdivision development, and people took pains to distinguish between developments done carefully and those done by "fast buck artists." Each county seems to have experienced some of the latter, but often one or more developers were cited as doing a good job. Generally, such developers were offering more than lots, and were able to construct the development gradually.

Overall, people felt that subdivision regulations would be accepted before zoning, principally because of problems with services in subdivisions, such as road maintenance. Acceptance would come through a need to protect consumers with minimum road requirements and tests of individual lots for septic and water

TABLE 1
Planning and Land Use Control Capacity
in 23 Western Counties

County	Position/ Ordinance	Planning Board	Planner	Building Inspect.	Zoning Ord.	Subdivision Ord.	Mobile Home Ord.	Floodway Ord.	Building Code	Plumbing Code	Electrical Code	Insulation Code	Sedimentation Ord.
Allegheny											•	•	
Ashe		•		•					•	•	•	•	
Avery				•						•	•	•	
Buncombe			•	•	+	R	•	•	•	•	•	•	
Burke		•	•	•			•		•	•	•	•	R*
Caldwell		•	•	•	P	•	•	•	•	•	•	•	
Cherokee		•		•				•	•	•	•	•	
Clay				•							•	•	
Graham		•		•				P			•	•	
Haywood		•	•	•	R/P	R/P	•	•	•	•	•	•	
Henderson		•		•	+		•	S			•	•	
Jackson		•		•				S	•	•	•	•	
Macon		•		•		P	P				•	•	
Madison		•		•	•	•	•	•	•	•	•	•	R*
McDowell				•				•	•	•	•	•	
Mitchell				•				•			•	•	
Polk		•		•	S	•		•	•	•	•	•	
Rutherford		•		•		•		•	•	•	•	•	
Swain		•		•							•	•	
Transylvania		•	•	•		R/P	R	•	•	•	•	•	R*
Watauga		•		•		•	•	•	•	•	•	•	R*
Wilkes		•	•	•	S	•	P						
Yancey											•	•	

• = Existing

R = Repealed

* = Repealed by state request. State taking over enforcement.

P = Pending

S = Some provisions--less than complete geographic coverage.

+= By township or area request



supply systems. Design and location considerations were less often mentioned. People interviewed stressed the need for subdivision ordinances to be sensitive to local custom.

In counties where subdivision ordinances were rescinded, the reason often given was that the standard ordinance form adopted was inappropriate to mountainous terrain. Another area where ordinances should be attuned to local custom is the practice of giving lots to children or relatives for home sites. Such subdividing should be exempt from a subdivision ordinance, according to many people interviewed.

Public acceptance of zoning was felt to be far away. Many interviewees seemed pessimistic when zoning was mentioned, despite their personal view of zoning as the most accessible and well known method of land use control. Their reaction could be attributed to anticipation of future conflict on the matter or remembrance of past battles. Most people interviewed defined zoning according to the usual designation of uses--residential, industrial, rural, etc., with provisions to restrict mobile homes. Some talked about density zoning or incentive zoning for industry, but most seemed unaware of alternative zoning approaches.

Based on the assessments of people interviewed, support from the county Chamber of Commerce and realtors' and builders' associations seems crucial to getting ordinances approved. These groups will support such ordinances if they are seen as giving protection to them, to industry and to home buyers. They want to see residential investments protected, and public services such as roads and water systems installed in such a way that the area qualifies for state maintenance.

Often, public support for ordinances comes from homeowners seeking to stop unwanted development. In many cases these are newcomers from areas where government intervention is more firmly established. With a few exceptions, county natives are perceived as having objections to zoning. It may be that a cohesive regional attitude toward land has directed its use until recently. As more non-natives buy land and move into the area, whether seasonally or permanently, and competition for land increases, regulation by custom and culture no longer works.

RECOMMENDATIONS

The recommendations proposed here are based on suggestions made by local leaders and are directed toward improving the capacity of local governments to deal with their largest growth sector, recreation development. Capital improvements planning and measures aimed directly at problems from recreation development are

recommended as first steps toward managing growth.

1. Counties should institute capital improvements planning and multi-year budgeting, as ways to estimate future service needs, costs and county revenues.

Capital improvements planning is especially important for timing major infrastructure needs requiring large expenditures, often important in attracting industry. Since water and sewer availability affects where growth occurs, extending capital improvements planning to location of lines would achieve a measure of land use planning. More counties have staff trained in budgeting than land use planning.

2. Local governments that face or expect to face large impacts from recreation development should adopt programs to assess those impacts and lessen any adverse effects.

County governments now have authority to require environmental assessments for all developments greater than two acres. Estimates of the development's size; terrain suitability; water, sewer, road and maintenance provisions; and effects on county services and transportation can be required in assessments. Council of Governments, Soil Conservation Service, and North Carolina Department of Natural Resources and Community Development field office staff can assist counties in evaluating assessments.

Counties should consider requirements for vacation developments based on their size and future service demands. This could be accomplished through a subdivision ordinance directed at second homes. Requirements could take the form of different permit fees, performance bonds or service maintenance funds, developer or homeowner association provision of services, and minimum lot sizes.

3. To supplement local regulations, counties should experiment with public-private sector programs through lending institutions, builders' and realtors' associations and other development-related groups.

Lending institutions could expand criteria for subdivision development loans to include lots' suitability for private water and sewer systems and site construction methods. Government staff (sanitarians, building inspectors, soil conservationists) could conduct education programs for development-related groups, covering "best practices" for construction, and state and local requirements. Such programs could be part of associations' meetings or special sessions sponsored by local technical institutes.

4. County governments should expand their staff capabilities by using existing resources such as Soil Conservation Service and state



field office staff, and by trying alternative staffing arrangements.

Use of part-time staff through contracts with Councils of Governments, joint city-county staffs, and sharing staff among counties should be explored. In addition, building inspectors and sanitarians should meet state competency requirements.

5. Because the region is predominantly rural, counties should explore multi-county approaches to industrial sites, water, sewer and solid waste services, and other projects.

Such arrangements might be appropriate for areas near county borders, providing cost sharing and greater economies of scale. Regional educational institutions, Councils of Governments and state field offices should publicize examples of multi-county efforts and assist interested counties in establishing joint programs.

Western counties have traditionally been without formal land use policies and development controls. Until recently such formal controls may not have been needed. However, the region's accelerating pace of development--particularly recreational development--is creating a need and pressure for controls. Counties are moving cautiously toward controls with support from diverse groups, but their efforts are hampered by public opposition, lack of staff and small budgets. A combination of capital improvements planning and a recreation subdivision ordinance is proposed for growth management as a means of dealing with regional institutional constraints.

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TABLE 2: THUMBNAIL SKETCHES OF CASE STUDY COUNTIES

Avery County

Population (1980)	14,409
Area	158,080 acres
Percent federal land	16%
FY 1982 budget	\$5,451,258
Property tax rate	\$0.47/\$100
Planning board	No
County manager/administrator	No
County planner	No
Land use ordinances	None locally initiated
1979 per capita income	\$4,546

Characteristics: Largest industry is resorts and second homes. Sugar and Beech Mountain Ski Resorts are in Avery County, as are several other high amenity resorts. Shrubbery culture is largest agricultural crop. Currently, a taxpayers' association, organized by county natives, is fighting property assessments. Present commissioners have no plans for land use ordinances.

Haywood County

Population (1980)	46,495
Area	347,564 acres
Percent federal land	37%
FY 1982 budget	\$9,313,912
Property tax rate	\$0.69/\$100
Planning board	Yes
County manager/administrator	Yes
County planner	Yes
Land use ordinances	None locally initiated
1979 per capita income	\$6,768

Characteristics: County is now considering a zoning enabling ordinance which would be adopted by community request. A subdivision ordinance may be considered after deliberation is finished on zoning. County has sizable amount of recreation development, particularly in Maggie Valley, and is now completing its 201 study. Land use ordinances have a chance, but several powerful landowners are opposed.

Jackson County

Population (1980)	25,811
Area	319,744 acres
Percent federal land	21%
FY 1982 budget	\$9,651,873
Property tax rate	\$0.60/\$100
Planning board	Yes, inactive
County manager/administrator	No. Chairman of County Commissioners serves full time in this capacity.
County planner	No
Land use ordinances	No
1979 per capita income	\$5,449

Characteristics: County split between Sylva, the county seat, and Cashiers, a recreation and second home area. Intensive recreation development in some areas; other areas very isolated. Western Carolina University tends to dominate employment.

Polk County

Population	12,984
Area	149,888 acres
Percent federal land	None
FY 1982 budget	\$2,734,078
Property tax rate	\$0.457/\$100
Planning board	Yes
County manager/administrator	Yes
County planner	No
Land use ordinances	Subdivision ordinances; zoning of some areas.
1979 per capita income	\$8,229

Characteristics: County has a number of very wealthy residents and most of the part-time residents are older and well-to-do. Tryon is center of recreation development, but some new developments are occurring outside of Columbus. Split between Tryon and rest of county for water supply and schools, as Tryon has its own systems. County growth has been slow and steady. Resorts have been a key industry since the late 1800s.

Swain County

Population (1980)	10,283
Area	348,288 acres
Percent federal land	68% (excluding Indian reservation)
FY 1982 budget	\$1,700,000 (est.)
Property tax rate	\$0.45/\$100
Planning board	Yes, mostly concerned with economic development
County manager/administrator	Yes
County planner	No
Land use ordinances	None locally initiated
1979 per capita income	\$5,705

Characteristics: Large federal park and Indian holdings have made county anti-government land use regulation. Lack of land for industry is a worry. County has very high unemployment; many people seek work seasonally in tourist business or cut-and-sew plants.

Transylvania County

Population (1980)	23,147
Area	242,153 acres
Percent federal land	36%
FY 1982 budget	\$6,811,597
Property tax rate	\$0.69/\$100
County manager/administrator	Yes
Planning board	Yes
County planner	Part-time
Land use ordinances	None locally initiated
1979 per capita income	\$6,791

Characteristics: New residents have had a large impact on county government--four of five commissioners are not native county residents. Recreation development has been largely retirement-type resorts. One large recreational project started in 1971 has caused problems. County plans to readopt subdivision ordinances. County residents are debating the amount of future county growth, spurred on by a proposal to extend Interstate 26 to the county.