Asheville: Resilience through Leadership, Partnerships and Diversity

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Asheville’s ability to rebuild itself and to foster a vibrant downtown in the second half of the 20th century owes much to its early history. Asheville was a booming town in 1900, an urban center for the mountain area with numerous trading-related businesses. The completion of the railway line to Asheville in 1880 had ushered in a period of increased tourism and development. By the turn of the century, the area hosted a number of health sanitariums that attracted people from far and wide. It was marketed as a beautiful place where people could rest, renew, relax, and recover from illnesses. Ever since this time, tourism has played an important and growing role in Asheville’s economy.

Asheville experienced extremely high growth rates in the 1920s, and the City borrowed heavily to pay for a grand vision of its future—city services, infrastructure, and capital projects (City Hall, County Courthouse, schools, library, etc.). The stock market crash and Great Depression hit Asheville very hard: by 1936, the City had accumulated $48 million in debt, and it made a commitment to pay off the debt over 40 years. Between 1936 and 1976, the City devoted much of its budget to debt retirement and was very frugal with other operating and capital spending. As a result, Asheville was the only city in the United States to pay off its debt in full. During this time, the city was still a center for shopping and services, and the downtown remained bustling with businesses until the early 1970s, when construction in suburban areas drew stores away from the city center and to the new mall.

By the mid 1970s, the downtown had many vacant buildings; after a few more years this area hit bottom, with just a few businesses left. At the same time, however, young people were moving into the area from outside the region. Drawn by the low cost of living, the beautiful scenery and the artsy and historic charm, some of these people became active in civic affairs and in downtown revitalization. Preservation and revitalization efforts gained city and county support though appointed commissions and elected officials.
New leaders emerged and more rehabilitation/revitalization projects were undertaken in the '70s, '80s and '90s; these types of projects continue today. But the process of choosing projects and distributing public funds was not without struggles, both political and ideological. It took leadership, vision and funding from hundreds of people to rebuild and revitalize downtown. While the City of Asheville took the lead and assumed the greatest political risk, strong partnerships emerged between the public, private and non-profit sectors during this time. A key element was the City’s attitude and interest in building an economic platform and fostering a climate where business could flourish.

Today, strong leaders and organizations in the public, private and non-profit sectors continue to work together to bring diversity to the urban core. A variety of housing opportunities in or near the downtown complement a mix of businesses. Recently, the high cost of real estate, especially in downtown, has presented a challenge to these efforts to support a fine-grained core. Although the current slump will temper this concern, at least for a time, the higher real estate values and rents that follow a successful downtown revival may drive smaller businesses out over time and make it harder for many residents to afford living downtown. Current downtown housing choices tend to have either very high or very low rents, with few units available in between.

Perhaps the most distinguishing characteristic of the economy, and a key to the area’s resilience, is the lack of a dominant industry or economic sector. Multiple strong sectors have been represented in roughly balanced amounts for twenty years or more. The graphic on the following page shows the top categories, in terms of employment by type of industry, for the Asheville Metro Area in 2008.

In addition to the diversity of business types, the area is also characterized by a robust small business sector. For example, in Buncombe County in 2008, a little over half of the businesses had four or fewer employees, and 95% of them had fewer than 50 employees. These small businesses are “balanced” by a handful of very large employers (over 3,000 employees) and some large employers (1,000-2,999 employees) in the health care, public education, government, grocery stores/distribution and leisure/hospitality sectors. Economic development recruitment and business support services have shifted their foci over the past five to ten years, recognizing the importance of small businesses, the creative class, and entrepreneurs in Asheville’s local economy.

A public-private partnership, the Asheville Hub Alliance, was formed several years ago at the request of the City of Asheville and Buncombe County to “identify the best ways to build a strong economy and community over the next 20 years.” Its efforts are focused on the area’s strengths and collaborative opportunities. The Asheville Hub chose a set of strategic focus areas, along with lead agencies for each area, which include technology, rejuvenation, sustainability, creativity, land/agriculture, manufacturing and enterprise. This group has developed a strategic plan that it hopes to see implemented over the next few years.

The Asheville Hub exemplifies the leadership and partnership that are imperative for moving into new ventures, and it hopes to provide a framework for addressing the changing economy in coming years. Meanwhile, the City government concentrates on the natural and cultural assets that are found in Asheville’s roots and in the diverse economy that has sheltered the population from the shocks felt in localities dominated by a single industry. Nurturing the small businesses and public-private partnerships that have kept its downtown vibrant and attractive, officials and civic leaders are planning more for sustainability than for exponential growth, in the hopes that this strategy will result in a more resilient city.

Merritt Park. This mixed-income residential project was built on the edge of downtown by Mountain Housing Opportunities, an important partner providing affordable housing choices in Asheville. Courtesy of Linda Giltz.
References


Employment by Type of Industry for the Asheville Metro Area

2009 NCAPA Conference

September 30-October 2, 2009
Downtown Marriott
Greensboro, NC

Learn more about the processes for community and economic development used by the practitioners who wrote the case studies in this issue. Visit the Carolina Planning panel session called

“Resilient Cities: Home-Grown Strategies for Adaptability and Growth”

and choose from numerous panels, talks, and mobile sessions.

Save the date!
As a postscript to the case studies of community and economic development, we showcase here three views of Durham, North Carolina taken by photographer Jessie Gladin-Kramer, who shot the view of downtown Durham featured on our cover. Her move to Durham from Boston in 2008 coincided with a new chapter in the city’s history, following an era in which warehouses and factories first dominated the economic landscape of Durham and then cavernously loomed over the street layout, serving as empty reminders of the jobs and careers that vanished with the cotton mills and tobacco trade. By 2008, many of those unique brick facades were again occupied, this time with offices, shops, restaurants and artists’ studios. Golden Belt, Brightleaf Square (above, right), West Village, and American Tobacco (on our cover) are not only bringing people back downtown to work and shop; they are fueling a greater interest in Durham’s history, which includes important milestones in black-owned businesses and civil rights history, as well as the usual tales of urban renewal projects that failed to stem the forces of suburbanization. Even as Durhamites attempt to “find their cool” in renovated coffee shops and lofts, they find traces of the communities and industries that attracted people to Durham before there was a Research Triangle Park or a prestigious university.

These pictures were taken for the city guide of Durham that Gladin-Kramer wrote and photographed for the national blog Design*Sponge.