Local Innovation in Community and Economic Development:
Stories from Asheville, Edenton, Kannapolis, Wilson and Winston-Salem

with an introduction by Will Lambe and Tyler Mulligan

While North Carolina has realized tremendous success in economic development over the last decade, some parts of the state have fared better than others. The diverse economy of our urban corridor and the natural amenities of our state’s western and coastal communities have yielded new residents, jobs and the development of new economic opportunities. Rural communities that once thrived on the business of agriculture or manufacturing have fared less well and continue to struggle with out-migration, business closings and reduced economic opportunities.

In the middle of the spectrum, between our most urban and rural communities, there are an increasing number of cities and towns in North Carolina that have evolved from one-industry towns to communities with diverse local economies. These are what this issue refers to as “Resilient Cities.” For example, during several periods in the 20th century, Wilson was the world’s largest flue-cured tobacco market. Today, Wilson hosts a diverse mix of financial, pharmaceutical and technology-based industries. Similarly, Kannapolis was home to Pillowtex, a textile manufacturer employing thousands of local residents. Pillowtex closed its doors in 2003 and the plant was demolished in 2006. Today, the former Pillowtex property has been transformed into the North Carolina Research Campus (NCRC), which will host research facilities from seven major universities and create thousands of research-based jobs.

The process of economic evolution illustrated by case studies from Asheville, Edenton, Kannapolis, Winston-Salem, and Wilson can be credited, at least in part, to innovative or new approaches to community and economic development (CED). The case studies in this issue focus on resilient towns and cities that have created diverse economies through locally-initiated CED initiatives. This introduction will describe seven characteristics of innovation in CED that have been distilled from the case studies and will provide several examples to illustrate each characteristic. It will conclude with general comments about the state or federal role in encouraging innovation in local CED.

Local Ingredients for Innovation in Community and Economic Development

Innovation in CED is a moving target. An innovative (or new) practice in one place may not be innovative in another. What makes a particular approach to development innovative depends on the context in which the practice is being implemented. There are, however, several general characteristics of innovation that can be gleaned from the resilient cities profiled in this issue. These characteristics, which address more the process than the substance of innovation, might be considered “local ingredients for innovation in CED.”

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Proactive and future-oriented leaders who will embrace change and assume risk

Community leaders are the facilitators of, or the barriers to, innovation. Without local leaders to push and implement new ways of doing things, innovative practices, in whatever form they take, will fall short. These characteristics of innovative leadership—proactive, future oriented and risk-taking—perhaps relate to the fact that innovation often results when communities “hit the bottom,” forcing local leaders to try new things and take new risks. These leaders believe in finding the glimmer of opportunity that accompanies every crisis.

When the Edenton Cotton Mill announced its closing in 1995, town leaders sought to uncover the opportunity presented by this setback. The town identified Preservation North Carolina as a partner and began to guide the community toward a strategy of preserving the mill and surrounding village. The initiative did not meet with immediate success. The town’s initial idea of a public arts facility proved infeasible. In response, Edenton leaders revised the marketing plan to attract private investment. This approach also yielded nothing, as private developers could not identify a financially-viable use for the mills. Town leaders continued to persevere, and Edenton eventually moved forward with a proposal for a residential development that was successfully completed. Asheville’s transformation from a city with a vacant and blighted downtown to one of the most popular and notable downtowns in the state was driven by risk-taking leadership that consistently invested in historic preservation efforts over a period of decades in order to revitalize downtown. The City of Wilson responded to a series of setbacks for its downtown with a positive initiative, making a forward-thinking investment in fiber-optic connectivity, even after private fiber-optic providers backed out.

Strong foundation of social and civic capital

The leaders in these innovative communities did not work behind closed doors, out of view of the citizenry, nor did they attempt to take decision-making out of the hands of the community. To the contrary, these leaders often relied upon citizens, social networks, and important civic organizations to carry out the community’s goals. These leaders leveraged existing “social capital” to gain access to broader social networks, and formed productive partnerships with strong civic organizations within the community.

The Edenton case study demonstrates the potential impact of “bridging social capital,” in which social connections are used to reach outside a community in order to bring resources or expertise into the community. Edenton leaders drew upon an existing social network to identify and secure Preservation North Carolina as a partner for the Mill Village project. That initial partnership not only provided the means for securing the mill for the town through a donation, but also was the key to developing and implementing the full scope of the mill village project. Furthermore, Edenton leaders engaged the public and benefited from civic participation. Public input provided the impetus for building a public boardwalk in the mill village. Edenton also took the opportunity to invest in the future of its rich reservoir of social and civic capital by preserving green space in the mill village to create additional opportunities for citizens to gather and connect with each other.

The Asheville case study illustrates how leaders of communities with strong social and civic capital need not take risks alone. The author of the Asheville case study explains that public officials in Asheville took a leadership role and assumed the greatest political risk for failure associated with its downtown revitalization, but also points out that “hundreds of people” contributed to the core of “leadership, vision and funding.” Asheville’s civic strength was evident as strong partnerships between public, private, and nonprofit sectors proved to be a key factor in the successful revitalization of downtown.

Widely shared local vision

Innovative communities establish and maintain a broadly held vision, including goals for all manner of development activities with measurable objectives. In CED, people (as opposed to money or other resources) are the one absolutely necessary ingredient to implementing and sustaining innovative practices. A committed group of local residents who are willing to work hard to support the community’s vision can change the fate of an otherwise hopeless community. A widely shared vision provides local innovators with a common understanding of the road ahead.

In Edenton, local leaders engaged the community in dozens of meetings to determine the future of the mill village. Perhaps the most efficient path forward in Edenton would have been to demolish the mill village and prepare the property for new development, but that is not what the residents of the community wanted. Residents preferred to focus on preservation, rehabilitation and reuse, which became the vision for community’s path forward. Similarly, in the late 1990s, and in the face of continuing layoffs at the Pillowtex facility, leaders in Kannapolis came together to plan for a more diverse local economy in a process dubbed “Weaving a Shared Future.” Leaders in Winston-Salem have reinvented the community several times over, most recently with the vision to become a hub of commerce for biotechnology with Bowman-Gray School of Medicine at the center of the hub.

Comprehensive approach—community development is economic development

If community development—compared to economic development—is generally considered to include a
broader set of activities aimed at building the capacity of a community, then these towns and cities demonstrate that capacity-building and other strategies typically associated with community development are analogous with actions designed to produce economic outcomes. In other words, these cases illustrate that sometimes the best way to attract jobs and investment is to set goals and make investments which reach beyond merely creating jobs and investment. This observation implicitly recognizes that innovative development is multi-faceted. There is no universally applicable formula for determining the right way or the most innovative way to do CED. Innovation is context-specific, and community leaders should take nothing off the table in selecting strategies to pursue. Decisions about what to do and why to do it must be based on local conditions, context, and capacity.

In Edenton, upon the announcement that the cotton mill was closing, town leaders were concerned with the blight and loss of family housing, in addition to the loss of jobs. The strategy pursued by the town was centered on job creation (a typical economic development goal) but incorporated broader community development goals as well. For example, town leaders saw the value in preserving affordable housing; restoring a wetlands creek bed to preserve and provide access to the community’s natural assets; preserving the mill village as an historic cultural asset; and connecting the site to the town center.

Likewise in Asheville, on its way to becoming the thriving and popular downtown destination that it is today, city leaders took a broader approach than simply creating a favorable business climate downtown. Rather, they spent decades building up the civic capital of the community, forming and nurturing organizations, partnerships, and future leaders that would carry the community forward. Furthermore, Asheville included housing as part of its strategy to attract the right mix of residents and small businesses, and it invested in its cultural assets, cultivating a creative class to build and sustain its arts industry. Kannapolis developed a more narrow economic development focus as part of its recovery strategy following the Pillowtex plant closing, but it still included community development investments in transportation, parks, recreation, and preservation of historic and cultural buildings.

**Broad definition of assets and opportunities**

In most communities, shell buildings, low tax rates, limited regulation, and access to trained workers, highways, railroads, or professional services are considered economic development assets and justifiably so. Innovative communities, however, define economic development assets in a much broader framework. These communities recognize that community development assets which are good for residents are also good for attracting economic development.

For example, Edenton’s century-old mill village, though in need of significant rehabilitation, was perceived as an asset, not a liability. Similarly, in Wilson, community organizations have been active in the pursuit of vacant historic properties, particularly in the downtown area, to restore luster to neglected areas and to retain a sense of the community’s shared history and culture. In the view of innovative communities, these buildings serve a larger purpose than merely commercial space. Downtown Asheville, which was nearly vacant in the mid-1970s, has built itself around once blighted and crumbling historic structures. In Kannapolis, an active parks and recreation department is recognized as an important asset by the community and contributes to the town’s vitality. Winston-Salem, which formed North Carolina’s first locally-zoned historic district, has a long history of recognizing the value of its historic properties and shared culture. Winston-Salem’s leaders also recognize the need to foster arts and cultural attractions to keep the city vibrant and attractive to residents.

**Creative regional governance, partnerships, and organizations**

Historically, development in North Carolina has been practiced as a zero-sum game. If one jurisdiction successfully attracted an investment or new employer, the implication has been that the other jurisdiction (perhaps a neighbor) lost. Innovative communities move beyond this notion to a regional or collaborative approach. Cross-jurisdictional partnerships can help communities pool resources toward shared development objectives.

In Winston-Salem, for example, the first city-county planning operation between the city and Forsyth County was authorized in 1947. The City and County have been working together on planning and development projects for more than sixty years. The Asheville Hub Alliance brings together economic development leaders from across the Asheville Metro Area to drive development in the region. Further, public-private (including not-for-profit) partnerships are emerging as the prominent organizational model for innovative development. In Edenton, a partnership between the local government and Preservation North Carolina provided institutional leverage to rehabilitate the mill village. In Winston-Salem, business and public sector leaders have come together in a variety of partnerships to advance that city’s interests.

**Creative financing approaches**

In a time of crisis, a community must be able to marshal significant financial resources to bankroll its revitalization initiatives. This requires an understanding of complex financing tools and openness to creative use of all available resources.

Leaders in Edenton understood the value of federal and state historic tax credits to prospective investors
in the cotton mill development. They therefore sought outside expertise to guide the town through the historic designation process, enabling developers to utilize valuable historic tax credit financing. Winston-Salem civic leaders established a private foundation, the Millennium Fund, to support its efforts. Kannapolis established one of North Carolina’s earliest tax increment financing districts, so it is poised to fund infrastructure improvements as increasing amounts of private investment related to NCRC flow into the city.

**Encouraging Innovation in CED**

The case studies in this issue demonstrate that a majority of the responsibility for initiating innovative practices in CED lies squarely in the hands of local leadership. Leaders in municipal, county and multi-jurisdictional institutions at the local level know their circumstances and are best equipped to make strategic decisions about development. Often, their success will depend in some measure on their ability to reach out to their citizenry and to capitalize on existing community assets. This focus on local assets, however, does not exclude an important role for state and federal institutions. The right or wrong set of tools and incentives can have an important role in terms of encouraging or incenting innovation at the local level. The question for state and federal policy makers is how to invest strategically in the capacity of communities to innovate based on local circumstances and opportunities. For example, state and federal grant programs could be designed to require multi-jurisdictional partnerships as a criterion for funding. Research on innovation and program evaluation, including best practice case studies, could be ramped up and consolidated in an accessible data clearinghouse. Reuse strategies could be encouraged over greenfield development. Criteria for grants could require that communities seek more than just jobs and investment; or that they employ models of community participation and civic engagement to invest in social and civic capital. Training and technical assistance for the development of advanced finance mechanisms could be provided. Additional resources could be made available to colleges and universities for not just workforce development, but also leadership development. These are a few examples of the types of policies that could encourage innovation without prescribing any particular course of action at the local level.

**Editors’ Note**

The North Carolina cities represented by the following articles range from Edenton in the northeastern corner of the state to Asheville in the western Blue Ridge Mountains. They range in size from the town of Edenton, with its 5,000 residents, to the greater Winston-Salem metropolitan area that nearly half a million people call home. Additionally, some of the municipalities represented in these articles grew on the strength of a single industry, while others have fostered diverse economies from the start. Nevertheless, each of them has had to respond to national changes in industry, corporate structure, and demographic trends by deciding which parts of their civic culture, built environment, and identity to preserve, and which to wholly readjust. Their stories of change and resilience are told here through collaborations between planners and economic developers, with help from elected officials and others involved in the processes of change. The entire assemblage was planned and marshaled by Denise Boswell, Ph.D., in her capacity as the Outreach Coordinator for the North Carolina Chapter of the American Planning Association.
Edenton: New Life for the Edenton Cotton Mill

Elizabeth Allen Bryant, Co-contributors Claudia Deviney, Anne Marie Knighton, and Myrick Howard

In September 1995, Edenton was devastated when Unifi, a manufacturer based in Greensboro, announced that it was closing the Edenton Cotton Mill, the town’s largest employer since 1898. The loss of 100 steady manufacturing jobs was enormous for this community, whose total population was only 5,000. The employees at the Cotton Mill were tremendously productive and many were long-time employees; but their skill levels were low, as is the case with most textile jobs, and the town was presented with the daunting task of helping the displaced employees find new jobs. In addition to the increased unemployment, the closure represented a huge loss in property tax revenue: Unifi was one of the top five taxpayers in Edenton. The closing announcement also included a plan to either demolish or sell the mill houses in the Mill Village. Retirees who had lived in the Mill Village all their lives were faced with the very real prospect of being evicted from their homes. The thought of having to help relocate 25 families made many of the town leaders realize how severe the “ripple” effect of the plant closing would be.

As soon as the closing deadline was narrowed down to Christmastime of that year, officials began brainstorming their response to this calamity. Town leaders feared that the mill closing would quickly lead to a blighted neighborhood, but they had even more concerns about the demolition of the Cotton Mill and mill houses. Fortunately, a town councilman was also on the Board of Directors for Preservation North Carolina (PNC). Councilman Sam Dixon swiftly initiated contact with PNC, a state-wide non-profit, and town and county officials met with state elected representatives to solicit support for their request that Unifi donate the property to PNC. Public/private partnerships were quickly forged, and by December 1995 local leaders had convinced the owners to donate the Cotton Mill and its 44 acres to the non-profit PNC—saving the mill and Mill Village from demolition, and preserving Edenton’s strong sense of place.

Following the donation, the Town worked in conjunction with PNC to rezone the property from “Industrial Warehouse” to “Residential and Neighborhood Commercial,” retaining the mixed-use nature of the neighborhood but allowing for rehabilitation and reuse. Edenton’s Historic Preservation Commission and Planning Board worked with PNC to nominate the property to the National Register of Historic Places, so that potential buyers would be eligible for tax credits for renovation. The Town Council unanimously favored these changes, and as evidenced by the number of people attending the public hearings, there was overwhelming community support for both initiatives.

The Town and PNC worked tirelessly to entice and partner with private investors to rehabilitate the mills and Mill Village houses. In order to bring the public into decisions about the type of development that would occur in the mills, the two parties held public information sessions, entertainment events, and public hearings inviting citizen input. Proposed occupants for the Cotton Mill and Peanut Mill buildings included the Chowan Arts Council, the public library, offices, a brewery, condominiums, a café, or all of these. The Town initially thought the best use for the Cotton Mill would be a public arts facility, but this plan was not financially feasible. Shortly thereafter, PNC began marketing the mill to private developers; several developers attempted but failed to identify viable uses for the building.

In 2001, a North Carolina doctor named Thomas Wilson proposed turning the Cotton Mill into residential condominiums. Dr. Wilson had first been introduced to the situation while working in Chowan Hospital’s emergency room. When he conceived of developing the mill as residential property, he sought the advice of...
The Edenton Peanut Mill. The 1909 structure is shown before (left) and after (right) its 2006 renovation.

PNC President Myrick Howard and ultimately took the idea to the Town. Public input was sought regarding Edenton’s contribution to such a project, including the design and location of a boardwalk that the Town would install along Queen Anne’s Creek adjacent to the Cotton Mill and Mill Village. Edenton’s Preservation Commission and Planning Board worked with Dr. Wilson to rezone the mill and approve the proposed renovations, and the Town Council again unanimously supported the plans. Consequent to the successes with the Cotton Mill and Mill Village, a local developer submitted plans to rehabilitate the Peanut Mill for reuse as a brewery, but ultimately the building was better suited to office and commercial space.

The Town of Edenton has a long history of valuing public input and participation, and the Edenton Peanut & Cotton Mills Adaptive Reuse Project provided yet another opportunity for the town’s citizens to be involved in determining the fate of their built heritage. The aim of the Reuse Project was to put the two vacant mill buildings and the Mill Village back to viable use as commercial and residential contributors to the town’s economy. Instead of tearing down these structures and making way for new subdivisions or commercial development, the Town and its partners decided that reinvesting in the old industrial buildings and tenant houses would further strengthen the community and maintain its sense of place. In a partnership with the non-profit community and the private sector, the Town invoked smart growth principles by emphasizing the dense, fine-grained development of earlier decades. The Town Council decided that creating a mix of commercial and residential uses where industrial and residential uses had co-existed in the past was vital to maintaining Edenton’s town character, and the Council achieved this through re-zonings and conditional use permits.

Since the end of 1995, when the first decision was made to renovate and reuse the Cotton Mill, the community has felt the positive impact of this effort. The once-empty Peanut Mill has been purchased for rehabilitation; the Mill Village houses have realized a tenfold increase in value as 55 out of 57 original houses have been sold and six infill lots have been developed as well; and the Cotton Mill in its rehabilitated state represents a $13 million addition to the tax base. The community’s leap of faith into historic preservation, based on the principles of smart growth, has translated into expectations that new developments will achieve the same standards for walkability, compact design, and useable open space.

Through the reuse and rehabilitation of the mills and Mill Village, this project resulted in the preservation or creation of 23.5 acres of open space—over half of the properties’ 44 acres. Wetland areas were preserved along Queen Anne Creek behind the Cotton Mill, and the public received its first opportunity to access these areas through the construction of public boardwalks. Behind the Peanut Mill, a creek bed that had been filled and covered with an old metal warehouse was restored, and there are plans to build a wetlands enhancement area in that location. Along the rear of the Mill Village houses, easements were created to preserve 30-foot-wide open areas the length of each block; these were originally spaces for Cotton Mill workers’ tenant gardens. These easements, along with the preservation of the mill workers’ ball field, not only protect open green areas, but also preserve communal space for social interaction. In addition, the protection of the Mill Village street-grid pattern and the creation of sidewalks connecting the renovated mills and the town center help promote regular exercise as well as an
appreciation of Edenton’s historic identity.

The key components of this project’s successful implementation were:

(1) forging a partnership between local government, the non-profit community, and the private sector;
(2) focusing on preservation, rehabilitation, and reuse; and
(3) involving the local community and the community at large.

At the time, rehabilitating and reusing abandoned mills was a new concept in North Carolina, and a startlingly new idea in the northeastern part of the state. Particularly innovative at that time in this region was the idea that local governments could and should partner with non-profits and the private sector on major projects.

Viewing the abandonment of the Edenton Cotton Mill as an opportunity for economic development, town leaders were visionary in seeking partners to rehabilitate and reuse the mill and Mill Village rather than pursuing demolition of the sites. From the start, the Town and its partners felt it was important to have the community decide what type of project should be established on the mill properties, and they held information sessions and public hearings to that end. Once a strategy and idea was formed for how to reuse the properties, the partners worked to inform the larger community about the project, generating interest and fueling property sales. The success with the Cotton Mill spun off within the community as the Town, PNC, and private investors launched another initiative to rehabilitate the Peanut Mill. Outside the town limits, the Cotton Mill’s success set an example for two other mill restorations: Glencoe Mills, of Burlington (another PNC project), and Rocky Mount Mills in Rocky Mount.

Wilson: Connected to Past and Future

Rodger Lentz, AICP, Co-Contributors Wendy Baucom, Leigh Ann Braswell and Jennifer Lantz

Few small cities have attempted—and still fewer have succeeded—in straddling both agricultural and corporate branding. Over the course of the 20th century, and with particular agility in the last two decades, Wilson has managed to attract and retain financial, pharmaceutical and technology-based industries while remaining in the forefront of regional tobacco marketing. While its agricultural connections have
perhaps undergone the most drastic changes as a result of a globalized and politically-transformed market, the inroads Wilson has made in strategically pursuing other sectors have been no less remarkable or significant for the city’s economic prospects.

Wilson has long been known for its role in North Carolina’s agricultural economy. The city played a major role in early tobacco production and sales, with its first market sale of tobacco occurring on September 2, 1890. Twenty years later, tobacco was the third largest crop in the county, and by 1919, the Wilson market earned the title of the world’s largest flue-cured market. For half a century, Danville, Virginia and Greenville, North Carolina provided stiff competition for this market share. However, with the adoption of the 1973 Designation Plan, whereby tobacco producers chose the warehouse in which they wished to sell their allotted poundage, Wilson shot ahead of its competitors, in some years recording sales as much as twice that of second or third place finishers. As late as the 1990s, Wilson maintained as many as 12 tobacco auction warehouses.

But drastic changes in the tobacco selling system have altered Wilson’s economy in recent years. More than 80% of the tobacco yield is now sold via direct purchasing contracts, bypassing the warehouses and auctioning process entirely. Tobacco processing and distribution still remain an important part of Wilson’s overall employment picture, yet the impacts are distributed differently. Traditionally, tobacco markets provided an economic boost similar to the furniture markets in High Point, which were an occasion for socializing among visiting buyers and sellers who contributed to the local restaurant and tourism economies. As tobacco companies moved to purchase crops directly from farmers, tobacco markets lost their function as social events. The tobacco auctions and warehouses of yesterday have given way to a modern economy that is more global in its reach and distinctly less local in its indirect impacts.

In fact, tobacco farming continues to grow due to exports to China, Japan, India, Russia, Germany and other European countries. (North Carolina leads the country in tobacco exports, accounting for 38% of the US total with $292 million in foreign sales in 2005.) After the federal quota system ended in 2004, the county’s tobacco acreage grew from 5,635 to 9,130 by 2008. While Wilson no longer has the spectacular tobacco warehouse markets that often drew visits from North Carolina’s political establishment, tobacco is still an important part of the city and county’s economy.

Meanwhile, Wilson’s roots in banking predate even its first tobacco sale. Present-day BB&T got its start in Wilson in 1872, when Alpheus Branch and Thomas Jefferson Hadley launched a bank called Branch and Hadley. By loaning money and paying interest on deposits, the bank helped local businesses and cotton farmers stay profitable in the difficult years following the Civil War. The bank continued to grow as “Branch and Company, Bankers” in the 1900s due to its services to the growing community of tobacco farmers. After several name changes it became Branch Banking and Trust Company (BB&T) in 1913. BB&T continued to expand services by offering mortgages and insurance in the 1920s, and in 1971, boasting assets of $250 million (with agriculture accounting for one-quarter), BB&T constructed its new headquarters in Wilson. Ten years later, BB&T began an aggressive expansion campaign through acquisitions, starting with Independence National Bank in Gastonia, NC. Their fast-paced merger and acquisition activity continued until 2003, with the acquisition of First Virginia Banks Inc. At the end of 2005, BB&T had assets of $109 billion, 1,400 branches, and 28,000 employees, and today it ranks as the 14th largest financial holding company in the country.

But as with the tobacco industry, changes in the banking landscape have had costs as well as benefits. After becoming the largest bank in North Carolina in 1994, BB&T completed a “merger of equals” with another state bank, Southern National, in 1995. In the
course of this move, the bank relocated its headquarters to a site two hours west in Winston-Salem. Wilson lost not only the prestige of hosting the growing bank, but also 700 jobs associated with the main office. However, the city was able to salvage both its office space and its decades of experience: the twin towers that BB&T had occupied before the move west were kept by the bank and filled with back-office support staff, which now number 2,000. Even the original BB&T headquarters building built in 1903 has been reused as the home of the Wilson Arts Council.

This shifting of corporate headquarters was not the only force influencing Wilson’s built environment. The central business district, like many across the state and the country, experienced a noticeable decline in appearance and commerce over the years. Suburbanization and the development of shopping centers and malls on the perimeter left marks on the downtown in the form of high vacancy rates and buildings falling into disrepair. The construction of I-95 moved the main north-south artery from a mile south of the city center to a full eight miles to the west. The changing shape of the tobacco markets has had a large impact as well, leaving empty warehouses in central locations, some of which present opportunities for reuse. In 2007, Wilson lost the Smith Warehouse, built between 1928 and 1929 to a salvage company that planned to resell the bricks and timber. However, in 2008, Wilson Downtown Properties purchased another brick warehouse, the Hi-Dollar Warehouse, for renovation and reuse. Had it not been for the group’s purchase, this warehouse would have suffered the same fate as the Smith Warehouse.

The challenge for city leaders today is to develop new ways of attracting residents downtown, away from the ease of the highway and the commercial lures of the periphery. The Wilson Downtown Development Corporation (WDDC) employs a strategy that provides incentives to new businesses that locate downtown, and the City of Wilson has taken aggressive steps to improve the streetscape and essential infrastructure. Ironically, WDDC and the City attribute an influx of new businesses to the current economy. Businesses are finding that operating downtown not only provides them with a unique, historic atmosphere, but also lower renting or purchasing costs. In the past year, three new restaurants and three new retail shops have opened that are drawing visitors back to Wilson’s center. The old Belk Department store, long a premier architectural
site for the city, has been rehabbed into office space for a regional council of government, the WDDC, and the Upper Coastal Plain Business Development—an incubator offering 28,000 square feet of space to start-ups and small businesses in a five-county region.

Finally, a number of corporations have established industrial sites in and around Wilson in the past few decades. The trend started in the mid 1970s with a plant constructed by the Bridgestone-Firestone tire company. In more recent years, the Wilson Economic Development Council—together with the City of Wilson, Wilson County and the business community—have worked diligently to pursue manufacturing industries with a higher than average wage and a likelihood of remaining in the USA. They developed a strategic marketing plan that is updated every five years and pursues a variety of industries. Significant investments were made at both the City and County levels in land and infrastructure. These include an expansion of water and sewer treatment capacity, the construction of Buckhorn Reservoir, transportation improvements that have cut travel time to Raleigh by almost half (now 30 to 35 minutes to the Capital), and the development of a water reuse plant to serve manufacturers.

In its most recent and forward-thinking infrastructure investment, the City has installed fiber-optic connectivity across the entire city. The project began when the City Council needed to improve the reliability of its networks between public facilities. A number of businesses and residents requested that they be allowed to connect to this upgraded service, and soon the Council was exploring deals with private providers to bring high-speed fiber lines to all customers in the city limits. Since the providers eventually decided that it would not be a profitable venture in a market as small as Wilson, the Council unanimously decided to take on the project itself and to finance the operation through subsequent sale of its own cable, phone and internet services. Wilson now boasts a network that is attractive to businesses, schools and executives considering relocation to the area.

With the physical improvements begun in the 1990s and augmented in the 2000s, Wilson has been able to provide a home for pharmaceutical plants such as Merck, Purdue and Sandoz. This economic activity in turn attracted other health industry manufacturers, including LiveDo and Becton Dickinson (better known as BD), whose plant is presently under construction. By investing in its infrastructure, the City has diversified its economy and paved a road for industries that its tobacco-farming forebears could only have imagined.

HB 1252 Level Playing Field/Cities/Service Providers

In April 2009 a bill was introduced into the North Carolina Legislature that would require local governments such as Wilson seeking to provide Internet and other services to adjust their pricing so that it costs as much as a private company would have to charge. Supporters of the bill hold that local governments have an unfair advantage over traditional providers since they have access to cheaper municipal financing in the installation of these services. But opponents don’t have to look any farther than Wilson for an example of a city that would have been prevented under the terms of the bill from providing any telecomm services at all, even though the private companies had ruled out services to the community on the grounds of profitability. Local governments also fear that the bill would prevent them from obtaining the $4.7 billion in federal stimulus money that is earmarked for infrastructure to improve broadband Internet access.

In response, the Raleigh City Council, the Chapel Hill Town Council and the NC League of Municipalities have all expressed their formal opposition. In the legislature, the bill passed its first committee, Science and Technology, without a recommendation. On May 6 it was sent by both House and Senate committees into study committees, a legitimate choice for a controversial bill but one that can also be read as a delaying tactic to keep it out of action until at least 2010. Unsurprisingly, the bill has generated considerable web debates throughout North Carolina as well as coverage on national blogspots like Electronista, Vox and Stop the Cap!
Winston-Salem: A Study in Growth, Resilience, and Adaptability

A. Paul Norby, FAICP, Co-Contributors Frank Elliott, Mayor Allen Joines, and LeAnn Pegram

Winston-Salem is a proud city with a rich heritage. Throughout its history, it has continually overcome the challenges of modernization with forward-looking strategies based in entrepreneurship and economic diversification, which continue to facilitate the city’s growth today.

Early History

When the Moravians migrated to this area from Pennsylvania in 1753, they quickly turned to the task of carefully planning and developing the large tract of land they called Wachovia and later the central community of Salem. The peace-loving Moravians saw Salem as a place where they could be free to worship in their tradition, to welcome visitors, to work at their trades, to enjoy music, and to have real community. This community was determined to be self-sufficient, and combined farming with trades, a mill, and other lucrative business ventures—establishing a tradition of entrepreneurship that continues to this day. Salem grew steadily, and when the need to provide a courthouse became apparent after Forsyth County was created in 1849, the Moravians provided the site for the new Forsyth County Courthouse one mile north of Salem Square. The legislature eventually named the county seat that grew around it Winston, after military hero Maj. Joseph Winston. The worldlier enclave of Winston attracted a new breed of entrepreneur, known for being shrewd, ambitious, and hard working.

Winston grew from being half the population of Salem in 1870 to being more than three times the population in 1910. The Reynolds and Hanes families

Dr. Simon Green Atkins (front, left) & 1915 student body of Slater Industrial Academy. Courtesy of Forsyth County Public Library Photograph Collection, Winston-Salem.
and others steadily grew small tobacco and textile companies into major firms, attracting new workers and residents in droves. Roads and streets were improved, and Thomas Edison helped inaugurate one of America’s first streetcar lines in 1890, sparking more growth. Simon G. Atkins established the Slater Industrial Academy, which eventually became Winston-Salem Teachers College—now Winston-Salem State University. Fourteen years after the U.S. Post Office combined the postal addresses as the hyphenated name Winston-Salem, the two towns officially merged in recognition of their common interests.

**Golden Age**

The 1910s and 1920s saw unprecedented growth in Winston-Salem, as evidenced by the City’s population rising to become the largest in the state in 1920. The DNA of the combined cities, described by one observer as “Salem’s conscience and Winston’s purse,” led to the emergence of Winston-Salem as the second greatest industrial city in the South, behind only Baltimore. R.J. Reynolds Tobacco Co. and the Hanes Knitting and Hosiery Mills became national leaders in their respective industries. They were joined by many other industries that manufactured items as diverse as batteries, wagons, humidifiers, tires, furniture, bricks, and steel components. Civic and industry leaders took full advantage of existing railroad linkages from Winston-Salem to other markets, and the first municipal airport in the South was opened east of the city in 1919. Frances Henry Fries had earlier opened Wachovia Loan and Trust, and in 1911 he went on to head Wachovia Bank and Trust, which eventually became known as the largest bank in the South.

Winston-Salem grew upward, being among the first to utilize high-rise construction for the 7-story Wachovia Bank building in 1911. This building was followed by several successively taller buildings, culminating in 1929 with the 22-story Reynolds Building. Ranking as the tallest in the state until the 1950s, the Reynolds Building won the national Best Building of the Year Award when it was constructed and was used as a model by its New York architects for the subsequent construction of the Empire State Building.

The city also grew outward. Country estates and new neighborhoods led to Forsyth County’s reputation as the wealthiest county in the state. Concern over the huge growth rate and haphazard development led the Chamber of Commerce in the 1920s to encourage and fund a new city plan.
Depression, War and Rebuilding

The Depression years and World War II ushered in an era of austerity, but Winston-Salem held its own during this time. The city’s industrial base was producing goods that the population needed during the depression. During the war years, a great demand existed in the military for clothing and cigarettes, and the city was well-positioned to supply them.

At the end of the 1940s, Winston-Salem was the second largest city in the state behind Charlotte, and it was emerging from the Depression and war years shopworn but ready to rebuild. Huge changes occurred in the city over the next two decades. The first city-county planning operation in the state had already been authorized in 1947, and this joint organization went right to work writing a new comprehensive plan, subdivision and zoning ordinances. Old Salem became the state’s first locally zoned historic district. Urban renewal plans were assembled to address slum conditions, and the city was the first in the state to receive federal housing funds. The Wake Forest College School of Medicine, which had been transplanted from Wake Forest, North Carolina in 1941 and renamed Bowman Gray School of Medicine, was soon joined by the rest of Wake Forest College after the Z. Smith Reynolds Foundation funded the construction of a new campus. An ambitious plan for downtown renewal was developed in the 1950s and led to redevelopment in the ’60s and ’70s of such additions as a downtown convention center and hotel, Hall of Justice, and a new 30-story Wachovia Building—at the time the tallest in the Southeast. Plans were implemented for both east-west and north-south freeways converging adjacent to downtown. Thomas Davis established Piedmont Airlines, which grew to become a strong airline with routes across the country. Winston-Salem became a giant in the trucking industry, with McLean, Hennis and Pilot Motor carriers headquartered in the city. Outside industries like Western Electric, later known as AT&T, came to town.
and opened two large plants employing thousands of people, including new transplanted residents. The Arts Council became the first umbrella group in the country to coordinate arts activities and funding.

The political structure was also slowly shifting away from what could be described as the company town “oligarchy” that came with Winston’s swift industrial rise. The temporary unionization of factory workers at R.J. Reynolds helped African Americans become more politically organized, resulting in the 1947 election of Rev. Kenneth Williams, the first African American City Alderman in all of the South. In 1949, Marshall Kurfrees was elected mayor; he was the first mayor not hand-picked by the power elite of business, and served for the next 12 years.

Setbacks of the 1980s and Response

In contrast with the heady rebuilding days of the 1950s and ’60s, Winston-Salem experienced a relatively calm period in the 1970s, but a series of setbacks and losses occurred in the 1980s. The 1980 Census revealed that, for the first time, the City lost population as the community expanded but the municipal boundaries did not. Then came a series of economic shocks that continued throughout the decade. Deregulation of the trucking industry in the early ’80s led to a series of changes that fostered the demise of the three big trucking companies during the decade, affecting thousands of jobs. Piedmont Airlines was a victim of its own success and grew to the point where it was bought by expanding USAir in 1987, causing Winston-Salem to lose the Piedmont headquarters. In 1988, the forced breakup of AT&T resulted in the closure of its Winston-Salem plants, again yielding thousands of job losses. R.J. Reynolds Industries, which had been diversifying since the 1950s and ’60s, was looking to divest Hanes Brands, Inc, the new leadership moved its headquarters in 1987 to Atlanta; and in 1989, the company went private and experienced a leveraged buy-out.

While these changes rocked Winston-Salem to its core, the city fought back in the 1980s and ’90s with the same kind of creativity and determination that has marked its past. In response to the need to create more jobs to replace losses in the manufacturing, business, and professional office sectors, private business leaders from Wachovia, RJR, Sara Lee and other firms worked together to form the Forsyth Community Development Council and Winston-Salem Business, Inc. They sought ways to aggressively target and recruit new business, and they were successful in bringing Lee Apparel, Siecor, Southern National Bank and Pepsi to the city. Forsyth Technical Community College created custom training packages for potential employers the City was recruiting. Commercial buildings downtown were constructed or expanded, and a public-private partnership created a new downtown park and office building that became the headquarters of Southern National (now BB&T). Wachovia Bank, which had just acquired First Atlanta, decided to keep its headquarters in Winston-Salem and build a new, taller tower. Sara Lee Corp, which had acquired Hanes Hosier and Hanes Knitting, chose to expand Winston-Salem operations and placed four company headquarters in the city.

Perhaps most interesting was a new initiative created through a collaboration among the business community, R.J. Reynolds Tobacco Company, and Wake Forest School of Medicine to create a downtown research park specializing in biomedical science. This venture was conceived in order to take advantage of the increasing stature and reach of the medical school’s research capabilities, along with the resource of R.J. Reynolds’s unused downtown building and land resources. The idea was to couple biomedical research capabilities with new business start-ups that would make use of that research in medical applications. Amazingly, Winston-Salem ended the decade of the 1980s with more jobs and more employers than when the decade began. By the end of the 1990s, the city was pursuing a new set of initiatives and riding the momentum.

The Challenges Post-2000

Winston-Salem’s cycle of crisis and response repeated itself again shortly after 2000. Wachovia Bank, one of the more respected banks in the country, was acquired by First Union in 2001 in what was billed as a “merger of equals.” The merged bank assumed the name Wachovia but moved its headquarters to Charlotte, dealing another seismic blow to Winston-Salem by transplanting its namesake to another city. Winston-Salem did, however, retain Wachovia’s Carolinas headquarters, wealth management headquarters, and the data center. (Ironically, Charlotte is now experiencing similar anxiety with the demise of the merged Wachovia and subsequent acquisition by Wells Fargo.) R.J. Reynolds Tobacco Co, now a free-standing publically traded company, suffered continued decline in sales and production, forcing further downsizing. Foreign competition spelled the decline of the furniture industry and resulted in the closure of Winston-Salem’s remaining furniture manufacturing. Sara Lee was looking to divest Hanes Brands, and some questioned the fate of its operations in Winston-Salem.

As in the 1980s, civic and business leadership in the community has responded with perseverance, creativity, and financial backing. The City and County in 2001 adopted a new comprehensive plan that embraces smart growth principles and encourages more compact, mixed-use development patterns and a greater emphasis on multi-modal transportation. Business leaders formed a
While no one can foresee all that may come in the future, Winston-Salem demonstrates that with discipline, entrepreneurship, innovation, and determination, a community can positively face its challenges and create new opportunities. Archie Davis, a beloved Winston-Salem native who became Senior Vice President and Chairman of Wachovia Bank and Trust and was instrumental in so many positive local and statewide initiatives, perhaps said it best some time ago: “We have an enviable past and an enviable character. I’m far from pessimistic, particularly if people handle the future as they have the past. We have great momentum.”

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Additional assistance provided by the Winston-Salem Alliance.

Kannapolis: From Mill Town to Research-Based Economy
Ben Warren, Co-Contributors Renee Goodnight, Clarence Horton and Mike Legg

Kannapolis is a thriving city of 43,115 people located along the 1-85 corridor in the Charlotte region of North Carolina. It began as a mill community in 1906 when J.W. Cannon purchased 808 acres of former cotton fields and began construction of “Cannon’s model mill town,” which ambitiously became known as Kannapolis. In its first year of operation, Cannon built two manufacturing plants and 75 homes for carpenters and construction workers. Shortly thereafter, 75 additional homes were built for the first wave of textile workers who came to the area with the promise of new opportunities. By 1920, the population of the community had grown to 5,027 men, women and children, living in 821 new houses. The mill employees resided in the homes, paying low rental rates and enjoying free maintenance, low cost utilities, free garbage collection, and no taxes.

Modern Kannapolis took shape in the 1930s as the mill continued to expand and new businesses and industry moved into the community. Subdivisions sprang up around the Kannapolis mills and surrounding mill villages as the population grew to over 13,000. By the 1950s, the expansion of the mills and the influx of “baby boomers” increased the population to almost 35,000 people.
The mills continued to grow and flourish over the next two decades, registering more than $450 million in sales in 1976. But the 1980s turned out to be a decade of significant change. In 1982, David Murdock acquired the Cannon Mills Company and began a $200 million capital improvement program aimed at automating many of the plant’s operations. Two years later the citizens voted to incorporate as a city and looked forward to partnering with Murdock in the redevelopment plans he had proposed for Kannapolis. The following year, Murdock sold the company to Fieldcrest Mills, Inc. Although unexpected, the news was well received by residents, as Fieldcrest had a national reputation for producing high quality textile products. The mills remained the bedrock of the Kannapolis economy over the next decade under Fieldcrest’s ownership.

But the situation was different when the mill was sold again in 1997 to the Pillowtex Corporation of Dallas, Texas. This time the local population was fearful of the loss of jobs to automation that had accompanied previous changes of ownership. The merger placed Pillowtex in the top three American textile manufacturers, yet prior to the purchase, Pillowtex had been a much smaller company than Fieldcrest, and it took on a considerable amount of debt in the course of the deal. Furthermore, textile jobs all over the nation were being moved overseas in large numbers. City Council members, seeing that their future was by no means secure, initiated an 18-month visioning process amongst citizens to determine what assets could be built upon to assure continued prosperity, with or without the mills that had always driven the local economy.

The result of these public deliberations was a document called Weaving a Shared Future. This plan prioritized economic development above all, but it also committed the city to investing in parks and recreation, transportation and streets, and historic preservation of buildings as well as the mill culture that shaped Kannapolis. Building on an earlier decision to annex 10 square miles of land through which NCDOT built a major highway, Kannapolis pushed to extend water and sewer to the newly incorporated areas, construct secondary roads, and pave the way for business parks and planned residential developments. Additionally, Kannapolis focused on refining its image by establishing a vigorous parks department, voting to allow liquor by the drink, and investing in marketing and branding activities. The recurring theme throughout these diverse initiatives was an openness to change, in terms of image, culture, and the economic base.

At the same time, the Cabarrus County Board of Commissioners was rethinking its approach to services and retooling its administrative structure to meet future needs. The result of this process was the transformation
of the Cabarrus County Health Department into a public health authority in 1997; the resulting Cabarrus Health Alliance was the first independent health authority in North Carolina. As such it brings together more than 30 organizations, health and human service agencies, private medical and dental providers, government officials, educators, business and faith community representatives, and residents to plan and provide appropriate services to meet local needs. Funding comes from a dedicated grant-writing program as well as Medicaid reimbursements, sliding-scale client fees, and County support for traditional responsibilities such as communicable disease control, environmental health, and vital records.

Just as the City and County were building their assets, however, Pillowtex was losing its own. Diminishing sales left it unable to keep up with the debts it had acquired in 1997, and the company filed for bankruptcy in 2000. It carried on work at the mills and even emerged from bankruptcy for a year in 2002-2003, but the end arrived on July 30, 2003, when Pillowtex permanently closed its doors and announced that its assets would be liquidated. That day, the corporation fired 7,650 workers, and the 4,340 jobs lost in the Kannapolis plants rank as the worst one-day layoff in the state’s history.

Although Kannapolis—once the world’s largest producer of textiles—was shocked by the loss of this central industry, the Council concentrated on making its earlier plans and economic contributions known to the region. To this end, the City made heavy use of incentives to attract new industry and new jobs, and it saw some success in the development of the Kannapolis Gateway Business Park, Biscayne Business Park and Dogwood Industrial Park. The City’s demonstrated determination and cooperative spirit, as well as its asserted openness to change, may have been the factors that convinced former Mill owner David Murdock to purchase the Cannon Mills Plant One site at an auction in 2004. A year later, Murdock unveiled a plan to construct a $1.5 billion scientific and economic revitalization project called the North Carolina Research Campus. This announcement signified the transformation from a manufacturing-based economy to a research-based economy. Demolition of the mills began on March 20, 2006, and after just two years, on October 20, 2008, the grand opening ceremony was held for the first three buildings on the campus: the David H. Murdock Core Lab, the UNC Nutrition Research Building, and the NCSU Fruit and Vegetable Science Institute Building.

Murdock envisions a campus where researchers walk to work, talented high school students mingle
with internationally renowned scientists, and citizens of Kannapolis find opportunity for solid employment and growth. Shortly after Murdock announced the plans for the North Carolina Research Campus in 2005, he proclaimed:

The most exciting part of this project is to be able to create sustainable, better-paying jobs for the people of Kannapolis and the region, and the creation of this scientific community centered on biotechnology will allow a transformation of this economy from a manufacturing-based one to one centered on scientific knowledge and research. Through the collaboration of the university scientists, the biotechnology research, and the state-of-the-art laboratories, new discoveries will be made that will further my goal of teaching people about proper health, nutrition, and wellness.

The North Carolina Research Campus is a unique project, funded by private dollars, that provides research facilities for seven major North Carolina Universities, the North Carolina Community College system, and numerous private industries. The plans include the construction of 88 buildings on the 250-acre main campus. This includes the construction of the Core Lab, university buildings, an all-girls’ school of math and science, numerous research offices, a hotel, a theater, numerous commercial buildings, and 18 parking decks.

Murdock has also proposed additional projects at off-site locations in Kannapolis. These include a biorepository facility, NCSU greenhouse facility, and infrastructure projects. In addition, the City of Kannapolis, in partnership with Cabarrus County, has implemented a Tax Increment Financing (TIF) District to fund numerous improvements around the NCRC main campus. The funds will be used to improve intersections, widen streets, replace infrastructure, construct a new Health Alliance building, fund a science wing on the local high school, and complete several other projects. While it is true that the TIF district was based on the rise in property value as a result of the Research Campus, the city’s investment in its new economic base and its openness to new alliances certainly helped pave the way for the Research Campus locating in Kannapolis.

Prior to the economic downturn of 2008, analysts predicted the proposed development would create as many as 5,535 new jobs at the NCRC by 2013. The biotech jobs were expected to attract an additional 9,291 jobs to Rowan and Cabarrus County by the year 2032. As a result of the new jobs created by NCRC and the associated “spin-off” development, exponential population and household growth were also projected: by 2032, Cabarrus County was projected to increase by 26,324 residents and Rowan County by 14,161 residents. While these projections may well see some delay due to current financial realities, complete build-out and unprecedented population growth is still expected, although the counties may have more time to prepare for it than originally predicted.

This massive economic transition from manufacturing to research and technology has been well received by the majority of residents in Kannapolis and surrounding communities. To assist with the transformation, the Rowan Cabarrus Community College is developing a program, known as R3 (Refocus, Retrain, Reemploy), designed to train the local workforce for opportunities at the NCRC. Whether the new campus brings as much opportunity for lower- and upper-income households as the old Cannon Mills once did will depend on individual participation in tuition assistance programs for education and skills training. If local leaders can successfully encourage workers that feel destroyed by the loss of their livelihoods to embrace a new path for the good of the community, then the prospects for Kannapolis look extremely bright, even as the nation’s economic struggles begin to mirror the disappointment and need for change that Kannapolis residents have experienced for the last decade.

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Asheville: Resilience through Leadership, Partnerships and Diversity

Linda Giltz, AICP, Co-Contributors Leslie Anderson, Robin Cape and Judy Daniel, AICP, Stacy Merten, Tom Tveidt, and Alexandra Vrtunski, AICP

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.
References


2009 NCAPA Conference

September 30-October 2, 2009
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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.