Challenges and Feasibility of Rural Arts-Based Economic Development:
A Case Study of Chatham County, North Carolina

by

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Cover photo sources:

Downtown Pittsboro, Looking down Main Street toward the courthouse, Source: Town of Pittsboro website, [http://www.pittsboronc.org/](http://www.pittsboronc.org/)

Also see [http://www.thermallab.com/](http://www.thermallab.com/) for a direct link to Rockriver’s official website.

Rural landscape at Rainbow Organic Farm, Chatham County, Source: Chatham County Center North Carolina Cooperative Extension Growing Small Farms website “Rainbow Organic Farm” [http://www.ces.ncsu.edu/chatham/ag/SustAg/rainbow.html](http://www.ces.ncsu.edu/chatham/ag/SustAg/rainbow.html)
Abstract

In recent years, economic development practitioners and planners have begun to recognize the role of the arts in the production and exchange processes that drive regional economies and their usefulness in downtown revitalization and other aspects of economic sustainability, particularly for rural areas and small towns. However, challenges in facilitating arts-based economic development strategies are not well documented or understood. In this report, Chatham County, North Carolina, a rural county in the southern Research Triangle region, is presented as a case study of the interaction between economic development practitioners, artists, and intermediary organizations in their attempts to create and envision arts-based economic development strategies. This study explores opinions and preferences for this type of planning policy before its adoption into an overall economic development strategy in this location. Significant challenges identified include unclear definition of roles for arts support organizations, confusion about the role of government subsidies in the arts and economic development, difficulties in understanding the costs and benefits of an arts-based strategy as opposed to other methods of economic or community development, challenges for local government and organizations in working with artists due to a lack of formal organization, and historic divisions based on race, class, and politics heightened by controversy over proposed residential development. Effective strategies to mediate these challenges could include establishing leaders who can facilitate “translation” between groups and propose mutually beneficial projects, and generating support for intra- and inter-group activities. While “success stories” are valuable, it is important to also reflect on possible challenges and obstacles to implementation when attempting innovative policy actions.
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Chapter One

The Challenges of Arts-Based Economic Development

Although creativity and artistic production play fundamental roles in human development, interaction and social life, economic development practitioners have only recently begun to widely recognize the role of the arts in the production and exchange processes that drive regional economies. The field of regional economic development in the US has generally focused on attracting industrial jobs and firms to certain areas. However, as the US economic base shifts from industrial production to service and information, and as the balance of power in choosing firm location shifts from the state to corporations, new and supplementary economic development strategies are needed. Particularly in the past decade, the arts have been “rediscovered” as a viable element in regional economic development strategies.

Claims about the so-called “new economy” based on knowledge, ideas and creativity have greatly influenced recent economic development discourse. To reference but a few recent commentaries, Manuel Castells argues that “the critical source of value in the new economy is talent,”1 while Shalini Venturelli writes, “a nation without a vibrant creative force...does not possess the knowledge base to succeed in the Information Economy.”2 Creativity in the workplace is certainly encouraged by companies, who are increasingly seeing it as crucial to a competitive advantage. A recent

article in Fast Company magazine begins: “Creativity. These days, there's hardly a mission statement that doesn't herald it, or a CEO who doesn't laud it.” The article goes on to describe a detailed study by Harvard Business School professor Teresa Amabile to discover how creativity can be encouraged in workers.³

Others have focused on the impact of the so-called “cultural industries” themselves on a regional economy, such as Scott’s analysis of the image-producing sector in Los Angeles,⁴ or O’Connor’s work in cultural industries in the UK and elsewhere.⁵ Finally, Richard Florida’s influential book The Rise of the Creative Class (2002) makes the link between creative labor and regional economic development by arguing for amenity-based economic development strategies that attract the knowledge-based worker, or “creative class,” to a city or region and at the same time capitalize on these workers as creative producers themselves.⁶

The National Governor’s Association categorizes the potential contributions of the arts to economic development in a region as follows: the arts can encourage direct spending in an area, encourage downtown redevelopment, attract high-income residents, and stimulate overall creativity in local firms.⁷ Examples of arts-based economic development strategies could include an arts-based downtown revitalization plan,

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⁶ Florida also acknowledges that this strategy can have complications, such as the growing class divide between creative workers and service workers in the US, and has been misinterpreted by policymakers who invest in arts and entertainment related physical infrastructure instead of in human capital, as Florida would advise (Morgan, Fiona. “Creative Class War.” Independent Weekly. April 20, 2005. Online at http://indyweek.com/durham/). For further discussion of these issues, see Florida, Richard. 2005. The Flight of the Creative Class: the New Global Competition for Talent. New York: Harper Business.
subsidized artist co-ops and live-work spaces, business assistance for arts-based small businesses, a tourism plan based on local arts, a networking forum for artists, or a formal matching program between local art and design school graduates and local firms.

In some cases, such as in Providence, Rhode Island, whole historic preservation and urban revitalization plans have been based around the arts. As Providence’s mayor David Cicilline writes on the City’s website for the recently-formed Art, Culture and Tourism Department:

> By providing centralized support for our arts economy and forging cultural connections across neighborhood boundaries, we will become even more than the sum of our parts…The Department will celebrate the social and economic power of art, as well as the tremendous potential of creative workers, as engines of growth and development in Providence. ⁸

The strategy seems to working; in 2003, New York Times reporter Julie Flaherty described Providence as “a tourist mecca with its rejuvenated downtown, trendy restaurants and vibrant cultural scene.”⁹ Other municipalities from Austin to Seattle and rural regions, such as Mitchell and Yancey counties in Western North Carolina, have refocused downtown revitalization and economic development strategies around the arts.

Arts-based economic development strategies are important because they recognize the value of art in our society, which goes well beyond economic benefits. In addition, this new focus recognizes that the arts can provide economic sustainability for people who are directly involved in or who support artistic creation. However, as places try to replicate successes, there is little reflection on the challenges of putting arts-based

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economic development strategies into practice. For example, people involved with arts and those involved with economic development policy often disagree on goals, methods, or language. In fact, it may be the case that economic development practitioners and arts advocates or artists do not have the space or common ground to encourage interaction and collaboration.

Many different types of problems can arise, and it is important to remember that even behind success stories is a long, complex process that brings many stakeholders together. In this case, I am studying the interaction between economic development practitioners, artists, and intermediary organizations in their attempts to create arts-based economic development strategies. This will help planners and people involved in the arts to understand the tensions that might arise in facilitating such processes, which can in turn provide insight into the planning process and suggest policy or mediation actions that could help the process work more effectively for all parties.

To address this question, I describe and analyze the arts and economic development activities and actor perceptions of these activities in Chatham County, North Carolina. I have asked planners and people involved in economic development activities, arts support groups, and artists questions about whether they think the arts have a role in economic development, and if so, how they think the arts are currently contributing to these strategies, or could be used in these strategies. In addition, I ask about the possible tensions or barriers, or contextual issues, that might be preventing these strategies from working or being initiated, and what is currently working to address these tensions.
Methodology

In undertaking this project, I first identified a case of local arts-based economic development for intensive. I chose Chatham County, which is just south of Chapel Hill, partly for logistical reasons but also because I had heard from county residents and through events about the active arts community in the county. After some investigation, I found that there was a high concentration of artists and many different arts-based activities and groups that seemed to have economic development implications, but the official economic development policies did not center on the arts. Given this situation, the county seemed an ideal place to explore perceptions and conditions that could precede and eventually challenge arts-based economic development efforts.

In my research, I have collected relevant social, political, and economic statistics about Chatham County and identified apparent economic development challenges and strategies from existing documents. I explored important actors and entities in the county, including county government relating to planning and economic development, social organizations, artists, and arts organizations and activities. I identified organizations and actors that would likely be involved in economic development and arts-related activities. These findings are presented in chapter three, as an overview of the case study. I then present findings from qualitative research with these actors. My methodology builds on work by Robert Yin on the case study\textsuperscript{10} and Michael Burawoy’s extended case method.\textsuperscript{11}


To identify interviewees, I have focused on three groups: economic development actors; artists; and arts-support organizations and entities. To protect my interviewees’ confidentiality and privacy, I do not reveal their positions or job titles, nor any other identifying information. I identified the first group mainly through web research, exploring the following entities or job titles typical for local economic development actors in North Carolina: county economic development department or entity, county planning department, county manager(s), board of county commissioners, city managers, city councils, local chamber of commerce, merchants’ association and local businesses, appropriate North Carolina regional economic development partnership, tourism department or entity, local community college, small business help centers, and local nonprofits and community development organizations.

Second, in identifying a group of artists, I have used both relevant websites and word of mouth, taking care to choose a diverse group in terms of financial success, affiliation(s) with local arts groups, and media (I spoke with at least one writer and one musician, in addition to visual artists). Third, regarding arts organizations, I have focused on the local arts council as they are the most obvious intermediary organization that links the arts and artists to local government and the larger community, although in the course of my research I extended my observation and interviews to other arts-related organizations and individuals as well.

My technique was partly based on a typical ethnographic “snowball” method, in which I ask initial contacts for further contacts, and also informed by the groups I had outlined at the beginning. In all, I have spoken with roughly thirty-five people total, in interviews lasting from 30 to 90 minutes, in a combination of phone and face-to-face
meetings (please see Appendix A, Document 1 for interview questions). I also attended several arts events in Chatham, including a public performance, gallery openings, and music events. I also attended two arts council board meetings and conducted several site visits to other organizations and individuals’ studios. In addition, I spoke with five individuals with experience either at the North Carolina Arts Council (the state arts entity) or with experience in the arts in another state, who offered a broader perspective.

As noted above, interview times were limited, and so the depth that can be acquired in immersed ethnographic work or long-term community work was not possible. In addition, due to limited time and resources, it was not possible to speak with all who would have added important insights for this project. This is particularly true for minority groups, although I tried to include these groups whenever possible. In my experience in this case, however, I did not find many minorities involved in the economic development or arts activities I explored (with notable exceptions). In addition, I was constrained to interview whoever had time to speak with me at times shaped by my own schedule, which meant that I did not speak to all of the most obviously relevant people.

At best, I have scratched the surface of what is happening in Chatham in terms of the interaction of arts and economic development. My aim here is not be comprehensive, but to distill from this study some of the typical challenges those engaged in arts creation and support work and in economic development practice may encounter when attempting or considering working together. Finally, I wish to thank all of the people who gave their time in helping me with this project. That said, I take full responsibility for any errors or misinterpretations in this document.
Chapter Two

Literature Review

In this chapter, I more thoroughly define the concepts of economic development, community economic development, and the arts for purposes of this study. I describe the benefits of the arts as identified in relevant literature to justify their use in economic development. I briefly describe arts-based economic development and outline three examples to illustrate how an arts-based economic development strategy can work in practice. Finally, I explore further why it is important to understand the challenges in these processes, review suggestions from other cases and literature regarding effective processes, and introduce the concept of social capital as relevant to these ideas.

2.1 Economic Development, Community Economic Development, and the Arts

My understanding of economic development builds from the following definitions. First, the North Carolina Economic Developers Association (NCEDA) defines economic development as “activities and programs aimed at improving local, regional, state, and national economies by attracting or creating investment to expand the tax base; and increasing jobs, wages, and personal incomes.” Second, the International Economic Development Council (formerly the American Economic Development Council), an international membership organization of several thousand economic development practitioners, defines economic development as follows:

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…a program, group of policies, or activity that seeks to improve the economic well-being and quality of life for a community, by creating and/or retaining jobs that facilitate growth and provide a stable tax base.\textsuperscript{13}

These definitions provide a good foundation for understanding the goals of many economic development practitioners.

While I will be using a more growth-focused definition of economic development here, as this relates most closely to the way practitioners typically understand the concept, it is important throughout this report to keep in mind the concept of community economic development. While economic development, as outlined above, is generally concerned with increasing the overall wealth and number of jobs in a particular place, community development focuses more on social justice, wealth distribution, empowerment, and other elements of improving the quality of life in an area for existing residents. The concept of “community economic development” blends the two concepts into more of a long-term, holistic strategy. Haughton defines community economic development as: “sustainable regeneration. . . requiring long term area regeneration processes which necessarily combine social, economic, and environmental actions.”\textsuperscript{14}

MDC Inc., a community development think-tank in North Carolina, brings the concepts together in their strategies in describing the “building blocks” of community development:

Economic development is not just about the creation of jobs. It is the process by which a community or region increases the standard of living of all of its residents. Viewed this way, economic development is part of a larger process of community development, through which a community provides for its citizens the institutions and amenities they need to live in comfort and security.\textsuperscript{15}

\textsuperscript{13} International Economic Development Council website. “FAQs” http://www.iedconline.org/FAQs.html  
By describing their aims as not just creating jobs but also improving the quality of life for all community residents, and discussing the difference between growth and “development” as emphasizing government and leadership that works for everyone in the community, MDC views economic development as part of a holistic community development strategy.\(^{16}\) As discussed in the conclusion to this report, arts-based strategies may be particularly well-suited to carry out this type of development work.

The arts can also be variously defined, and can be considered as narrowly as referring only to the production of fine visual art or “high art” such as painting and sculpture, or as broadly as writing computer code, software creation, analyzing data or other forms of “information-based” work. The definition can even be extended to encompassing all endeavors that involve human creativity and creative expression. More commonly, definitions fall in between, and conventional understandings often include visual arts, music, theater, dance, literature, and craft production.

For the purposes of this report, I will refer to the arts in a relatively narrow sense, including the visual, performing, and literary arts. I choose this focus primarily because the arts are typically interpreted this way among local arts councils and advocacy organizations. My definition is also partially derived from the National Endowment for the Arts’ eleven “creative” occupational categories, which include: actors and directors, announcers, architects, art, drama and music teachers, authors, dancers, designers,

\(^{16}\) Ibid.
musicians and composers, painters, sculptors and craft artists, photographers, and artists and performers not elsewhere classified.\textsuperscript{17}

My understanding is also informed by the definition of the “creative industries” in \textit{The Creative Economy Initiative: the role of the arts and culture in New England’s economic competitiveness},\textsuperscript{18} an influential economic impact study of the arts in New England, which defines the creative industry cluster as “enterprises and individuals that directly and indirectly produce cultural products.” Specifically, the industry sectors they refer to include: applied arts, performing arts, visual arts, literary arts, media, heritage, and advocacy and support. This definition is useful here because it identifies aspects of artistic production that would fit into economic development goals.

Finally, a brief discussion of the special role of artistic creation in our society is warranted. Though a full discussion is beyond the scope of this study, it is important to note that throughout the course of human history, art has been associated with the beginning of a distinctly human consciousness and the beginning of abstract thought, has been deeply embedded in human ritual and religion, and has been an expression of our emotions and desires.\textsuperscript{19} The other side of the coin is the life of the creative product, whose various roles in society and human economic exchange have influenced daily human life for millennia.


Today, as in the past, people are involved in artistic creation for both the experience of participating in a creative process and the ability to use the products of this experience, whether for economic exchange or another purpose, such as provoking thought, embodiment of a message, enjoyment, use in a ritual, or fostering community cohesion. It should be noted that various forms of culture and art have also been used in colonialist occupations and in nationalist and resistance movements. As such, the arts cannot be explained by tracing economic activity, nor can they be directly induced by policy as in other workforce training programs.

It is important to note that the arts are like other industries, in that they are part of production and consumption cycles and can be supported by particular policy actions, but are also distinct in many ways. This noted, the myriad benefits of artistic production for individuals and societies, as identified in relevant literature, are discussed further below.

2.2 Benefits of the Arts

In the past twenty years, economists and urban planners have become increasingly interested in “cultural economics,” which looks at the world of arts markets, arts policy and funding, copyright and law, and the role of the arts in community and economic development. As part of this increased interest, arts advocates, academics, and regional

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governments around the world have invested in studies that attempt to measure “instrumental” benefits of the arts, including individual benefits, social benefits, and economic benefits.\footnote{22} Also, the case has recently been made for a greater focus on the intrinsic benefits of art that cannot necessarily be measured.\footnote{23}

Studies that identify and measure benefits to individuals from participation in artistic activities generally focus on benefits for cognitive function, especially academic performance and learning in children; health benefits from improved quality of life and stress reduction; and building interpersonal ties that improve social behavior and attitude.\footnote{24} For example, the Ford Foundation has found that participation in an arts program has improved test scores and learning for school children in Texas.\footnote{25}

Studies of the social impact of the arts in communities generally regard arts-related activity as contributing to social capital or to community organizing capacity in an area.\footnote{26} Stern and Seifert, in their study of community building and arts groups in Philadelphia, found that increased funding for arts groups led to increased cultural activity and participation, which enhanced vibrancy in urban communities, increased civic participation, and increased bridges across ethnic and class divides.\footnote{27}

\footnote{26} See Williams, Deidre. 1996. \textit{Creating Social Capital: a Study of the Long-Term Benefits from Community Based Arts Funding}. Community Arts Network of South Australia.
In his review of arts impact literature, Guetzkow argues, "community arts programs are said to build social capital by boosting individuals’ ability and motivation to be civically engaged, as well as building organizational capacity for effective action."28

Ways to accomplish these goals, according to Guetzkow, include:

- Creating a venue that draws people together who would otherwise not be engaged in constructive social activity.
- Fostering trust between participants and thereby increasing their generalized trust of others.
- Providing an experience of collective efficacy and civic engagement, which spurs participants to further collective action.
- Arts events may be a source of pride for residents (participants and nonparticipants alike) in their community, increasing their sense of connection to that community.
- Providing an experience for participants to learn technical and interpersonal skills important for collective organizing.
- Increasing the scope of individuals’ social networks.29

As we can see in the above activities, the arts can play a crucial role in many types of community-building efforts.

In his seminal study on social impact of the arts, François Matarasso identified fifty social impacts of arts program participation that benefit people and communities.30 These impacts fall into several categories, including improving people’s employability, development of networks and capacity to organize, and improving health outcomes. He concludes that arts-based community development is publicly visible, feasible to plan and evaluate, flexible, and cost effective.

Adams and Goldbard, in a report to the Rockefeller Foundation, outline the theory and methods of “cultural community development,” which consist largely of artistic projects that help groups express identity and promote community collaboration between

individuals and organizations.\textsuperscript{31} Examples of these activities, which are drawn from case studies of Rockefeller’s PACT (Partnerships Affirming Community Transformation) grant recipients, include programs such as young dancers teaching dance to senior citizens, public mural painting, and public performances in protest of a city bus fare increase. Finally, Rhonda Phillips specifically identifies a typology of arts-based community development approaches that contribute to community economic development, including: arts business incubators, artist’s cooperatives, development of tourism venues, and comprehensive approaches.\textsuperscript{32}

Economic benefits are often estimated in studies that attempt to measure the economic impact of the arts.\textsuperscript{33} These studies generally focus on the financial impact of the arts in terms of direct spending in a region, and measure sales of arts and crafts and performance tickets, arts-related tourism spending, tax revenue from arts organizations, and the payroll of arts-related jobs.\textsuperscript{34} For example, in their 2002 report \textit{Arts and Economic Prosperity}, the advocacy group Americans for the Arts found that arts nonprofits in the US generate $134 billion annually in economic activity (seen in

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revenues for households and for state and local government) and provide 4.9 million full-time equivalent jobs (note that this study does not include for-profit industries).\(^3\)

Arts advocates typically use economic impact studies to lobby government and business leaders for support, financial and otherwise, by showing that the arts have tangible economic value comparable to other industries. State, regional, and national studies, such as the Americans for the Arts study mentioned above, have been influential policy tools. However, as Michelle Reeves notes of urban revitalization campaigns in the UK in the 1990s, economic impact studies can narrow public focus. She writes:

“…there was a growing concern within the cultural sector that debates about the value of cultural projects and activity centered exclusively on economic benefits, articulated primarily in terms of job creation and increased output. Many commentators argued that this partial view of arts impact failed to take account of its contribution to such areas as health, education and social inclusion.”\(^3\)

While critics have noted methodological inconsistencies, failure to prove significant economic impact, and a relatively myopic focus on instrumental benefits,\(^3\) the body of economic impact of the arts literature has made a convincing case for the value of arts to our society that is hard to ignore and extends to other types of benefit beyond the economic. These studies have also fostered collaboration and discussion with local government, which have often led to arts-advocacy groups’ involvement in cooperative projects. It is important to remember that economic impact is not the primary reason people make, consume, or appreciate art. Perhaps the value of these studies is not to show


that the purpose of the arts is economic impact, but that economic benefits are just one of
the impacts derived from creative production that occurs in many places regardless of
specific supports, and that arts-specific benefits can be encouraged or enhanced through
public or private support.

Finally, a strong argument has recently been made for a return to a focus on the
intrinsic benefits of art, as presented in a recent RAND Corporation report.\textsuperscript{38} The authors
write, “People are drawn to the arts not for their instrumental effects, but because the arts
can provide them with meaning and with a distinctive type of pleasure and emotional
stimulation.”\textsuperscript{39} These benefits, according to the report, include captivation and pleasure,
empathy, cognitive growth, social bonds, and expression of communal meanings.\textsuperscript{40} These
benefits are important to consider in arts-based economic development efforts.

It is also important to note that arts-related impacts may not necessarily always be
beneficial. Particularly in terms of community development goals, I would suggest that
arts activities may not benefit a whole community, and could even divert resources from
underserved populations to local elites. Also, it is possible for groups to use the arts to
create factions or express viewpoints that antagonize community members or repress
other points of view. However, the arts are promising as a basis for economic and
community development in that they can be relatively inexpensive to create (particularly
in the case of informal performance and music), art forms are infinitely varied, and they
can be created virtually anywhere and so are not the exclusive domain of elites or those in
power as a form of development.

\textsuperscript{38} McCarthy, et al. 2005.
\textsuperscript{39} Ibid. Page xv.
\textsuperscript{40} Ibid. Page xv-xvi.
2.3 The Concept of Arts-Based Economic Development

In the updated preface to his classic text *Art and Economics*, Bruno Frey—arguably the founder of the field of arts and economics—writes, “Without a sound economic base, art cannot exist, and without creativity the economy cannot flourish.” In practice, the arts and economics are indeed intertwined: artists must become businesspeople in many practical ways in order to have a career, a strong economy leads to greater support for the arts through grants and private donations, and regions and modern companies are realizing that innovation and creativity are crucial to their competitiveness. However, the relationship can be contentious; artists frequently resist becoming businesspeople or entrepreneurs, the arts are often given a short shrift in state and local budgets because they are seen as a “frill,” and companies or regions often do not recognize what the arts can offer because benefits are difficult to describe in concrete or empirically measurable ways.

In addition to direct economic impact, the arts can deliver benefits through contributing to partnership-based economic development processes. These contributions could include contributing to downtown revitalization that attracts visitors and more businesses, providing amenities that increase community vitality and marketing for a region, contributing to innovation in a region by attracting knowledge-based workers and playing a part in fostering creativity and innovation at local companies. For example,

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arts-related industries can be catalysts for high skill employment in other sectors, as seen in the Media Arts Project (MAP) in Asheville, North Carolina. Begun in 2002, MAP is a nonprofit organization that is building on Asheville’s active arts community and attractive location to create jobs by facilitating collaborative projects between media artists and technology workers.45

Phillips notes that because artisans and their work can be considered a “community asset” that also contributes to quality of life in a community, the arts hold great potential for achieving community economic development goals.46 Overall, given the above potential, I would argue that measurement difficulties and implementation challenges are no reason to throw out the idea of arts-based economic development. After all, people continue to make and consume art regardless of what economic development practitioners and planners do—why not have communities capitalize on that resource? The question is, how can planners get benefits to the community, and how can artists and arts advocates benefit as well? I now turn to three examples that briefly illustrate how such projects can take form.

First, the contemporary art museum MASS MoCA, in downtown North Adams, Massachusetts, is a perfect example of a collaborative arts project that reused old industrial buildings to turn a small, declining downtown into a major destination. Conceived in the late 1980s, the project turned a historic factory into a center for the display and creation of contemporary art. Thomas Krens and Joseph C. Thompson, colleagues from the nearby Williams College Museum of Art, built political, private

sector, and community support for the project, leveraging over $30 million for the cost of
the project ($22 million from the state and over $9 from private funds). 47

The museum opened in 1999, and features space for art display (particularly for
large installations), an experimental “laboratory” for artists, a theatre that seats 850 and
other performance spaces, an outdoor cinema, office space for largely high tech and arts
related retail and commercial use, and many visitor amenities such as tours of the
laboratory and programs for youth. Just a year after its opening, MASS MoCA was
financially viable, had a large number of annual visitors and members, had generated
over 200 jobs in its commercial space, and had spurred impressive downtown
revitalization.48

In a second example of arts-based economic development, the city of Manchester,
England is providing business services to local artists and creative industry businesses in
a project called the Creative Industries Development Service (CIDS). CIDS is a
membership organization, and membership is free for qualifying local businesses and
entrepreneurs. The organization provides business assistance, information about funding,
training, and workspace opportunities, and networking services through its website and
in-person events. There is also an online directory—searchable by sector, service, type of
organization, or keyword—for over 700 local arts-related businesses. The organizations
partners include a consortium of local and regional arts-related charities, nonprofit
organizations, and trade associations.49

47 MASS MoCA website. “About” http://www.massmoca.org/about.html and “Economic Impact”
48 ibid.
The organization Handmade in America and their work in the mountains of Western North Carolina provides a third example of arts-based economic development. Handmade was founded over a decade ago by Rebecca Anderson, who had prior experience in community economic development and had been involved with the Chamber of Commerce in Asheville, the largest town in the region. She and a group of community leaders decided to focus on the existing resource of craft production instead of typical industry recruitment strategies to spur economic development. The group led a citizen participation effort to form a regional plan based on crafts, with participation of over 360 citizens. The group now runs over fifteen different projects involving over 3,500 citizens and maintains over twenty partnerships with local, state, and regional organizations and national foundations.50

Handmade’s projects have been wide ranging, including conducting business training sessions at the nearby Penland School of Craft; facilitating a revolving loan fund in conjunction with the Self Help Credit Union; working with the Main Streets USA program to revitalize small towns; publication of a popular series of guidebooks that guide tourists along craft heritage and agri-tourism trails throughout the North Carolina mountains; personalized tours of craft trails; an online registry of artists, galleries and crafts; and an economic impact study conducted in 1995 in 22 western NC counties that found a $122 million annual impact from craft production. One of the more innovative projects is the EnergyXChange, an arts incubator project with a sustainable energy component: it provides live-work space for artists along with a gallery, and is powered by

50 Handmade in America website. “About Us” http://www.handmadeinamerica.org/about/about.php and “Staff” http://www.handmadeinamerica.org/about/staff.php
gases released by a local landfill. The organization also facilitates many arts in education programs, runs training sessions and conferences, and has just launched the Handmade Institute, which will provide consulting assistance to other organizations on arts-based community economic development strategies.

### 2.4 Implications for Arts-Based Economic Development Processes

As we approach the case study presented here, we can draw some suggestions from the above examples and relevant literature that suggest factors for success. These strategies can hold many challenges, as noted by Phillips, including difficulties for communities in translating their artisan base into “thriving businesses,” struggles to fund arts-support organizations, and the opportunity costs of arts investment. Phillips outlines several considerations for communities interested in using such approaches as drawn from a sample of cases, such as the need for local leaders and community citizens to recognize that general support for and participation in the arts is conducive to community economic development; the need for partnerships and sharing of resources; and the value of flexibility in terms of ways to offer arts support.

A recent report from the Urban Institute and the Fund for Folk Culture, *Culture and Commerce: Traditional Folk Arts in Economic Development*, reviews eight projects that specifically linked regional economic development entities with traditional artists.

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54 Ibid. Page 7-8.
and arts organizations in partnership projects. The results identify several challenges and provide valuable suggestions for arts-based economic development strategies.

The first challenge is described as inappropriate asset and liability match-up between regional economic development entities and arts entities, mainly because the economic development entities were not always interested in local arts activities and arts entities were not necessarily ready for entering a regional market. They suggest addressing this problem through careful matching of assets with needs and considering geographical scope when matching partners. Second, they found that artists and arts organizations often encounter challenges in terms of business skills and market knowledge, which can be effectively addressed through training programs run through partnerships, such as local educational institutions or private businesses.

Third, the report found that although economic development and arts entities had divergent missions and activities that discouraged long-term, continuous projects, the ties they built through this experience were often used later when other project opportunities arose. Fourth, the report discovered that assets brought to the table by each entity transcended narrowly defined skills. Many of the participants had deep knowledge of their communities that aided each others’ activities in ways they did not anticipate.

The authors emphasize the importance of building well thought-out partnerships as a key lesson from these projects:

All these points return, in one way or another, to the basic premise that underlies partnerships between traditional artists and arts organizations and economic development agencies — that each party brings to bear, on regional development

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57 Ibid. Pages 43-44.
tasks, assets that are complementary and can be mutually rewarding. But the differences in assets also mean differences in interests, perspectives, ways of communicating, connections to constituents, and so on. What is clear from this research is that these differences can be bridged in ways that are ultimately productive for regional economic change, as long as the underlying needs and resources match.58

Because partnerships have been ascribed importance in the above studies, I now return to a discussion of the concept of social capital.

Robert Putnam describes social capital59 as “features of social life—networks, norms, and trust—that enable participants to act together more effectively to pursue shared objectives.”60 Putnam’s theory posits that social networks are valuable because they can help people in a community share resources, they help underpin the capacity for collective action, and they also give rise to norms of reciprocity that encourage people to help each other.61 Social capital can help build ties within a community, called “bonding” capital, or between people within a community and those outside, often other organizations, elites, or governmental officials, called “bridging” capital.62

Instead of advocating strengthening of all social bonds, Mark Granovetter63 and others64 argue that weak ties are the crucial link between factions of closely knit groups,

58 Ibid. Page 44.
and so are responsible for information relays, political mobilization, integration of the individual into modern society, and movement formation. Also, they note that participation in and of itself does not necessarily build trust in a community—in fact, in divided communities with histories of prejudice, increased participation in group activity may do the opposite. In these situations, negotiating from a common ground, with mutual engagement, can lead to building trust and therefore constructive social capital. These different perspectives on valuing links between people and predicting action using these links will help to clarify considerations for arts-based economic development implementation.

In the case study presented here, there is a lack of precedent for planning sustained arts-based economic development, so I can only identify what has begun to work, or what some of the existing problems might be in the initial stages of such an effort. However, even nationally known success stories do not seem to be as self-reflective as they could be. The tendency to downplay challenges is understandable, given tight public budgets, but I believe that we are missing an important opportunity to learn from mistakes and to try to discover some of the root causes for challenges.

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Chapter Three
Overview of Chatham County, North Carolina

Chatham County, North Carolina is in the geographical center of the state and is part of the Research Triangle Region, a collection of 13 counties with a total population of over 1.5 million people.\(^6^6\) The county is part of the Raleigh-Durham-Chapel Hill Metropolitan Statistical Area (MSA), which includes Chatham, Durham, Franklin, Johnston, Orange, and Wake Counties. The region also contains the well-known Research Triangle Park, which employs nearly 40,000 people, many in the high-tech and knowledge industry sectors.\(^6^7\) Chatham County remains largely rural, but is directly east of Raleigh, a city of 276,000 and home to North Carolina State University,\(^6^8\) and is just south of Chapel Hill, population 49,000 and home of the University of North Carolina at Chapel Hill, and Durham, population 187,000 and home to Duke University\(^6^9\) (see Appendix B, Figures 1 and 2).

This section provides an overview of Chatham County’s geographical, social, and economic characteristics and trends, and then reviews major employers and institutions in the county, including its organizations and nonprofits. Finally, it includes a more detailed introduction to the county’s wide range of arts-related activities. This section serves as the context for the reader to evaluate the project’s findings.

\(^6^6\) Research Triangle Regional Partnership website. “Data Center” http://www.csupport.net/rtrp/data%20center/demographics/population/
\(^6^8\) All numbers are rounded. US Census Bureau. North Carolina QuickFacts “Raleigh” http://quickfacts.census.gov/cgi-bin/qfd/lookup?state=37000
3.1 Geography, Demographics, and Economic Characteristics of Chatham County

3.1.1 Geography

Chatham County consists of approximately 700 square miles and is part of the Piedmont region that lies between the coastal plain to the east and the Appalachian Mountain range to the west. The topography is characterized by low rolling hills, and is a mix of farmland, grazing pastures, pine forests, oak and hickory trees, and many lakes and streams. Chatham is part of the Cape Fear River Basin and contains Jordan Lake near the eastern border, a major reservoir that supplies water for most of the Triangle area, and is part of the popular 46,000 acre Jordan Lake Recreational Area. Chatham also has three mid-sized rivers, the Haw, Deep, and Rocky Rivers, and several creeks and streams that support a diversity of flora and fauna.

3.1.2 Towns and population

Chatham had a population of 54,600 in 2004, up from 49,300 in 2000, less than 1% of the state’s total population. Chatham saw a population increase of 27% between 1990 and 2000, which is about 5% higher than the state as a whole. Chatham County is home to two major towns: Siler City (population 7,000), located about 40 miles southeast of the Piedmont Triad region, which includes the cities of Greensboro, Winston-Salem, and High Point with a population of over 1.5 million; and Pittsboro (population 2,200),

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71 Chatham County website, “About Chatham County, Economy” http://www.co.chatham.nc.us/AboutChathamCounty/Profile.htm#Economy
72 NC Department of Commerce, Economic Development Information System, County Profiles (Chatham County), 4th Quarter 2004. http://cmedis.commerce.state.nc.us/countyprofiles/ Chatham’s population was 49,300 according to the 2000 US Census.
the county seat, which is about 15 miles east of Siler City and about 30 miles west of Raleigh, 25 south of Durham, and 15 south of Chapel Hill. In addition, the mid-sized city of Sanford (population 23,000)\(^{75}\) lies just to the southeast of the Chatham county line. (see Appendix B, Figures 3 and 4)

Chatham is also home to many small towns, such as Goldston (population 300) in the southwestern part of the county and Bynum, a collection of several homes and a general store near Pittsboro. Fearrington Village (population 900), located between Pittsboro and Chapel Hill, is an upscale planned community with a nationally award-winning restaurant, an inn, and several shops. Much of the settlement in the county is dispersed and can be characterized as single homes surrounded by acres of open space. The population density in 2000 was about 72 people per square mile, compared to the state average of 165 people per square mile.\(^{76}\) Only one fifth of the county’s population lives in its municipalities, which officially include Siler City, Pittsboro, Goldston, and Cary (a suburb of Raleigh that stretches into Chatham, with only 19 residents in 2000).\(^{77}\)

The major roads in the county include US 64 which runs east-west through both Siler City and Pittsboro and heads toward Raleigh; US 15/501 which heads north-south from Chapel Hill through Pittsboro; US 421 which runs south-northwest through Goldsboro and Siler City and up to the Piedmont Triad region; US 1, which runs through the southeastern corner between Raleigh to the east and Sanford to the south; and US 751

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\(^{75}\) US Census 2000.


\(^{77}\) Chatham County website, “About Chatham County, Population” http://www.co.chatham.nc.us/AboutChathamCounty/Profile.htm#Population
which runs from the northern part of the county towards Durham. At present, many of these roads are being expanded to four lanes.  

3.1.3 Demographics

In terms or race or ethnicity, Chatham has slightly lower percentage of African Americans than the state overall, a slightly higher White percentage, and a significantly higher Hispanic or Latino percentage. Chatham’s population of nearly 50,000 in 2000 was about 75% White (compared to 72% for the state), 17% African American (compared to 22% for the state), and 10% Hispanic or Latino (compared to 5% for the state). Since 1990, the White population in the county decreased about 1%, the African American population decreased 6%, and the Hispanic population increased 9%, from just over 500 people to over 5,000 in ten years, reflecting a large increase in Mexican immigrants in recent years who live primarily in Siler City. In 2000, Pittsboro was 64% White, 28% African American, and 9% Hispanic or Latino. In 2000, Siler City was 51% White, 20% African American, and 40% Hispanic or Latino.

In terms of education and homeownership, Chatham is above the state averages. In 2000, the county was equivalent with the state average for high school graduates over 25 years of age, at 78%, but Chatham has a higher percentage (28%) of residents 25 and older with bachelor’s degrees or higher compared to the state (23%). The homeownership rate was about 77% in 2000, above the state average of 70%, and the

78 Chatham County website, “About Chatham County, Transportation” http://www.co.chatham.nc.us/AboutChathamCounty/Profile.htm#Transportation
79 US Census 2000. The remaining percentage is made up of the other race categories included in the Census, but are not mentioned here due to relatively low numbers.
median value of an owner-occupied house was $127,000 compared to the state median value of $108,000.\textsuperscript{83}

3.1.4 Economy

In terms of economic characteristics, Chatham has a relatively high income and low unemployment rate, and is designated a Tier 5 county by the North Carolina Department of Commerce which reflects its affluent status.\textsuperscript{84} The median household income was nearly $43,000 in 2000, ranking the county 6\textsuperscript{th} in this category of 100 counties in North Carolina,\textsuperscript{85} while per capita personal income (PCPI) in 2002 was roughly $35,000, compared to the state average of $28,000.\textsuperscript{86} Chatham’s 2002 PCPI ranked the county 3\textsuperscript{rd} in the state in this category, up from 11\textsuperscript{th} in 1990.\textsuperscript{87} About 10% of the population lived below the poverty line in 2000 (compared to the state average of 12%),\textsuperscript{88} and the unemployment rate for the county was 2.7% in 2004, lower than the state average of 5%.\textsuperscript{89} The Research Triangle region as a whole is experiencing a rise in wages, employment, and retail sales, although the region is losing manufacturing jobs and shows some vacancy in commercial real estate.\textsuperscript{90}

\textsuperscript{83} US Census Bureau. North Carolina QuickFacts, “Chatham County”
http://quickfacts.census.gov/qfd/states/37/37037.html
\textsuperscript{84} Tier 1 is the most distressed and Tier 5 the most affluent. NC Department of Commerce website. “Tier Designations” http://www.nccommerce.com/finance/tiers/2005tiers.asp
\textsuperscript{85} US Census Bureau. North Carolina QuickFacts, “Chatham County”
http://quickfacts.census.gov/qfd/states/37/37037.html
\textsuperscript{86} Figures are in current dollars. BEA Bearfacts website “Chatham, North Carolina”
\textsuperscript{87} NC Department of Commerce, Economic Development Information System, County Profiles (Chatham County), 4\textsuperscript{th} Quarter 2004. http://cmedis.commerce.state.nc.us/countyprofiles/
\textsuperscript{88} NC Department of Commerce, Economic Development Information System, County Profiles (Chatham County), 4\textsuperscript{th} Quarter 2004. http://cmedis.commerce.state.nc.us/countyprofiles/
\textsuperscript{89} US Census Bureau. North Carolina QuickFacts, “Chatham County”
http://quickfacts.census.gov/qfd/states/37/37037.html
\textsuperscript{90} Research Triangle Regional Partnership website. “2004 State of the Region highlights”
http://www.researchtriangle.org/staying%20on%20top/state%20of%20the%20region.php
Chatham County has internal diversity in terms of affluence, with municipalities showing lower incomes and many residents commuting outside the county for work. Per capita personal income (PCPI) was only $17,000 for the Pittsboro municipality, with a median household income of $36,000, and 18% of population living below poverty line. Siler City’s PCPI was $14,000, with a median household income of $34,000, and 15% of the population living below poverty line. Although the population is about 55,000, employment in the county was only 13,000 in 2001. In fact, many residents commute outside the county to work. As the Chatham Land Use Plan notes, “County residents who are employed outside the county increasingly impact the Chatham economy…in 1970, 29% of the county workforce traveled out of the county for work. By 1990, almost half of the county workforce commuted out for employment. The eastern townships experience the greatest levels of out-commuting.”

The county’s economy has traditionally been based on agriculture and manufacturing, including wood products, textiles, brick making, metalworking, and poultry production. In 2001, the county reported 933 private nonfarm establishments, which employed 13,238 people. Retail sales per capita in 1997 were $5,036, well below the state average of $9,740. The industry mix reflects a reliance on manufacturing (see Table 1, below). Other significant employment sectors include local government, with 15% of total employment, and some trade and services, although these percentages are

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91 ibid: 29.
92 Chatham County website, “About Chatham County, Economy” http://www.co.chatham.nc.us/AboutChathamCounty/Profile.htm#Economy
lower than state averages. The Arts, Entertainment and Recreation sector is relatively small according to the NC Department of Commerce, at less than 2% (like the state).

Table 1: Chatham County Employment, Top 10 Sectors and Arts, Entertainment and Recreation

<table>
<thead>
<tr>
<th>Industry sector</th>
<th>Chatham County</th>
<th>North Carolina</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>35.1%</td>
<td>15.3%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>11.1%</td>
<td>11.6%</td>
</tr>
<tr>
<td>Educational Services</td>
<td>9.6%</td>
<td>8.9%</td>
</tr>
<tr>
<td>Health Care and Social Services</td>
<td>10.8%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>4.8%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Public Administration</td>
<td>4.5%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Construction</td>
<td>4.4%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Professional and Technical Services</td>
<td>3.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>2.7%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Administrative and Waste Services</td>
<td>2.7%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Arts, Entertainment, and Recreation</td>
<td>1.6%</td>
<td>1.4%</td>
</tr>
<tr>
<td><strong>Total Government</strong></td>
<td><strong>14.8%</strong></td>
<td><strong>16.8%</strong></td>
</tr>
<tr>
<td><strong>Total Private Industry</strong></td>
<td><strong>85.2%</strong></td>
<td><strong>83.2%</strong></td>
</tr>
<tr>
<td><strong>Total Employment</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: NC Department of Commerce, Economic Development Information System, County Profiles (Chatham County), 4th Quarter 2004. [http://cmedis.commerce.state.nc.us/countyprofiles/](http://cmedis.commerce.state.nc.us/countyprofiles/)

The Chatham County Land Conservation and Development Plan, adopted in 2001, reported that the county has relied on a manufacturing sector that is declining, including textiles, food processing, lumber and wood products, and chemicals and allied products. Agriculture has traditionally been important for the county, although today it only represents 2.5% of the county’s employment, but the number of farms has increased in recent years. According to the Plan’s assessment and recommendations, farming is still viable, there is a strong livestock base in the county, and small farms and specialty farms are increasing due to nearby alternative and organic product markets in Chapel Hill, Durham, and Raleigh. The Plan recommends maintaining the manufacturing

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96 NC Department of Commerce, Economic Development Information System, County Profiles (Chatham County), 4th Quarter 2004. [http://cmedis.commerce.state.nc.us/countyprofiles/](http://cmedis.commerce.state.nc.us/countyprofiles/)
97 *ibid*: 30.
base by concentrating on growing sectors and not necessarily maintaining old, declining sectors, and that the county’s economic growth is tied to the overall regional economy, particularly the services, FIRE (financial, insurance, and real estate) and trade sectors.98

3.2 Institutions, Organizations, and Economic Development in Chatham County

3.2.1 Major institutions, organizations, and governance

Chatham County is governed in large part by a Board of Commissioners, whose five members are elected by citizens according to districts. The Board oversees and appoints many county officials, such as the county manager, social services, the board of health, county tax officials, and the Economic Development Commission, and appoints some of the board members for Central Carolina Community College and the local Council on Aging. The county manager in turn appoints directors for and oversees many county services, such as the planning department, public works, emergency management, library services, recreation, and the travel and tourism department99 (see Appendix B, Figure 5). The county partially funds the community college and local public education and in Fiscal Year 2001-02, 44 per cent of county tax dollars went to Chatham County Schools.100

Local economic development affiliations and entities include being part of the regional Triangle J Council of Governments (a body linking local government officials in the Triangle area)101 and the Triangle Regional Partnership Economic Development

98 ibid: 32.
99 Chatham County website, “About Chatham County, Government and Services” http://www.co.chatham.nc.us/AboutChathamCounty/Profile.htm
100 Chatham County website, “About Chatham County, Government and Services” http://www.co.chatham.nc.us/AboutChathamCounty/Profile.htm
101 Triangle J Council of Governments http://www.tj cog.dst.nc.us/
Commission (the regional economic development entity). Chatham also has an Economic Development Corporation (EDC), which is governed by a 14-person Board of Directors appointed by the County Commissioners and ex-officio members that includes seven local businesspeople, two county commissioners, the county manager, the president of the local community college branch, the mayor of Pittsboro, an environmental manager, the director of the local Chamber of Commerce, and the president of the EDC. The EDC’s office is located in a small house in Pittsboro and is staffed by a full-time president and administrative support staff. Other entities that are typically involved in economic development decisions include the county commissioners, the county planning department, the county manager, the city managers, the Chamber of Commerce, the Department of Travel and Tourism, and the Merchant’s Associations in Pittsboro and Siler City.

The county is also home to two branches of Central Carolina Community College (CCCC), one in Pittsboro and one in Siler City. CCCC serves Chatham, Lee, and Harnett counties, and in 2001-02 had 1,800 full-time and 2,359 part-time students were enrolled. A total of 1,007 of these students were residents of Chatham County, about half of whom were seeking Associates Degrees. CCCC provides many job training services and contains a Small Business Center that assists entrepreneurs in the county. In addition, there is a North Carolina Cooperative Extension Office for agriculture and rural development located in Pittsboro, including educational programs and information, including links to state assistance programs, for agriculture and natural resources, 4-H

\[102\] Research Triangle Regional Partnership http://www.researchtriangle.org/
\[103\] NCCCS. North Carolina Community College System’s Statistical Profile, 2001-2002.
and youth development, family and consumer education, and community and rural
development.

County citizens are linked with county government through planning and
economic development activities through serving on several boards, such as the County
Planning Board, the Strategic Plan Steering Team, the Land Use Plan Implementation
Committee (LUPIC), and the Friends of the Pittsboro Memorial Library volunteer
association. There also are several active citizen-led advocacy groups that deal with
environmental, land use, and economic development issues, such as the Haw River
Assembly (a nonprofit devoted to preserving the Haw River riparian area), the local
chapter of the Sierra Club and other conservation societies, and a collection of citizen
groups concerned with proposed development, among other issues, including the
Southeast Chatham Citizens Alliance, Chatham Citizens for Effective Communities
(CCEC), Chatham County United, and the Chatham Coalition.

Social services organizations include, but are not limited to, United Way of
Chatham County, Chatham County Partnership for Children, Chatham County Family
Violence and Rape Crisis Services, the Pittsboro Lions Club, the Council on Aging,
Chatham County Habitat for Humanity, the Affordable Housing Coalition, and Chatham
Together, a volunteer-based non-profit organization that provides mentoring, tutoring,
educational activities, and advocacy for youth and families in need across Chatham
County. In addition, there are many religious organizations that provide social services.

There are several attractions in the county that relate to visitor services, such as
Fearrington Village, an upscale mixed-use development, and Governor’s Club, also an
upscale residential development with a golf course, both located in the eastern part of the
county. Other attractions include local recreation opportunities on the rivers or in the Jordan Lake preserve, with opportunities to use local canoe and kayak outfitters, various agrotourism options such as berry picking and farm visits, the Inn at Celebrity Dairy (an inn at a local dairy farm), the Pitt Stop Café and Race Shop (a NASCAR themed café), the Southern Supreme Gourmet Specialties fruitcake factory which offers tours, the Rocks Gemstone Mining site offering micro-mining for tourists, a new winery at Silk Hope in the center of the county, and the attractions at Moncure in the southeast corner of the county including an art museum, a tour of several artisan shops, and a life-size chess set factory called Chessworks.\(^\text{104}\) Chatham is also home to the Carnivore Preservation Trust, a 55-acre site for rescued endangered exotic animals, such as large cats.

3.2.2 Economic development challenges and strategies

The Chatham County Strategic Plan, drafted in the late 1990s, lists several goals, such as balanced growth, resource and open space conservation, effective government, citizen participation, quality of life factors, and community cooperation. Relevant to this study are the goals of a diverse and relevant workforce, a friendly environment for business and industry, support for agricultural endeavors, and a rich cultural environment that would help protect Chatham’s historic cultural heritage from pressures of growth.\(^\text{105}\)

Major economic development goals, according to the Land Conservation and Development Plan, are “to increase job opportunities and the tax base within Chatham County, to provide suitable locations for economic development and to encourage

\(^{104}\) Pittsboro and Siler City Convention and Visitors Bureau (Travel and Tourism Department) website. “Other Links” http://www.visitchathamcounty.com/links.html. Please note, this is by no means a comprehensive list, but rather serves to give a sense of the type of attractions offered in the county.

\(^{105}\) Chatham County Strategic Plan. Available at http://www.co.chatham.nc.us/lupic/web/LandUse.htm
development that sustains the county's rural character and environmental quality.”

According to the Land Development and Conservation Plan, economic development should be based around the following six principles (2001:32):

1. Encourage agriculture and home-based businesses throughout the county.
2. Encourage development within Chatham County's towns.
3. Create Economic Development Centers to provide the elements necessary to compete in an increasingly competitive market for recruiting new business and industry; a portion of the county's economic development efforts will explore the feasibility of pursuing environmentally and community compatible business enterprises. The county should include site marketing, infrastructure provision, and planning & design assistance as part of the economic development centers program.
4. Encourage shops and offices in Neighborhood Activity Centers.
5. Encourage appropriate Cross-roads Commercial Centers to serve rural areas.
6. Discourage commercial and industrial development in other settings, especially as strip commercial development along major highways and in environmentally sensitive and agricultural areas.

As is clear, planned growth, targeted development, and environmental sustainability are featured concepts in this plan.

The Land Use Plan Implementation Committee (LUPIC) in Chatham, a mix of county citizens and local government bodies, convened in 2002 and is focused on the implementation of the above plan. According to a document titled “Compact Communities Considerations/Recommendations” released in 2003, LUPIC is organized into three subcommittees (2):

1. Open Space/Rural Character – examine how the compact community relates to its surroundings and links to green space, exterior roadways, surrounding communities, etc.
2. Community Design – examine how a community should be laid out, densities, design, mixed use, commercial centers, interconnectivity, etc.

This document further explores the concept of “compact communities”—which appears to refer to dense, delimited development with many features associated with smart growth, such as mixed use centers—and then recommends strategies to implement such communities according to the above subcommittee concerns.

In terms of economic development incentives, the Chatham County Economic Development Corporation (EDC) offers select financial incentives for new and expanding businesses based on their investment and jobs created, in the form of a percentage of returned taxes at the end of each year for a five year period (see Appendix A, Document 2). In addition, the EDC provides information about state incentive programs, but it is not clear if many of these programs are used in Chatham due to the county’s relative affluence (see Appendix A, Document 3).

In Chatham, there has been uneven implementation of recommendations from various land-use plans. Although the focus of this report is not on controversies over development, the issue has affected the findings, and a brief discussion is warranted. Recent county commissioners’ races with dubious sponsorship (campaigns appear to have been supported by developer interests) have installed pro-development commissioners, who—in the minds of many Chatham residents—are facilitating rapid unplanned growth, as outlined in a recent series of articles in a Triangle area alternative weekly publication (see Appendix B, Figure 6 for map of proposed developments). In January of 2004, journalist Jennifer Strom wrote:

In the wake of [the new commissioner’s] special-interest-funded ouster of growth-control advocate [former commissioner] in the fall of 2002, Chatham, which has long offered an affordable retreat for young professionals, retirees, artists and nature-lovers, is headed for widespread clear-cutting in the Triangle's most unregulated county. Where only about 600 new homes sprouted in each of the last

An article by Strom from early 2005 reported that the commissioners voted in favor of Briar Chapel, a development of upscale 2,400 homes in northeast Chatham.\footnote{Strom, Jennifer. 2005. “Sprawl Envelopes Northeast Chatham.” \textit{The Independent Weekly}. February 23, 2005. Available at \url{http://indyweek.com/durham/2005-02-23/triangles2.html}} Several citizen groups, as mentioned above, are concerned, among other issues, about the pace of rapid residential development proposed in the county and seek to have more influence with local government. For example, one of the goals of Chatham Coalition, a recently formed volunteer group of Chatham citizens, is the implementation of recommendations in the county’s Land Conservation and Development Plan.\footnote{Chatham Coalition website \url{www.chathamcoalition.org}}

3.3 The Arts in Chatham County

Briefly, Chatham is located in a relatively “arts rich” region. It is just east of the Seagrove area, which is famous internationally for its history and concentration of over 100 potters and others involved in ceramic arts. Nearby Jugtown, Cameron, and Sanford are also home to many more potters. In addition, nearby Chapel Hill/Carrboro, Durham, and Raleigh all have many galleries, active arts scenes, and markets for art sales. There are also a long arts and craft tradition in North Carolina, including several places that have based economic development on tourism and arts. For example, the Mount Airy region near the Virginia border is using its artists and wineries to promote the area as a destination, and the city of Asheville and surrounding area has used arts for downtown revitalization and rural tourism.
There is a vibrant, varied arts scene in Chatham County, which has grown particularly in the past twenty years. Artists are drawn by the beautiful countryside and rural character (see Appendix B, Figures 7-8), affordable housing, proximity to the opportunities and market of the Triangle area, other amenities, and—perhaps most importantly—the presence of other artists. Currently there is a great deal of arts-related activity in Chatham, including a local arts council, many arts and music festivals, several galleries, a business incubator based on arts in Siler City, a popular annual tour of local artist studios, arts-related courses at CCCC, frequent local music performances, other arts-related organizations, and the presence of several hundred artists. According to the local arts council’s directory, there are about 200 artists in Chatham County, but this is in all likelihood an undercount, because it is a self-selected list and does not include artists who are not interested in being contacted through the arts council (see Appendix B, Figures 9-12 for examples of art by Chatham County artists).

Four different arts related organizations are outlined below, including the local arts council, Chatham Arts; the Studio Tour; the Arts Incubator; and the Shakori Hills Grassroots Festival. These are important organizations in engaging arts-related economic development in the county, and are also representative of different types of arts-related organizations. It is key to note that there are several other influential arts-related organizations and events in the county as well, such as (but not limited to): Musicmakers, an organization that seeks to support local blues musicians; live music series at the Pittsboro and Bynum General Stores; and the annual folk art festival at Fearrington Village. In addition, there are many nearby artist guilds, such as the Triangle Potter’s
Guild,\textsuperscript{111} which provide resources and forums for social and technical networking. Finally, the neighboring Orange County Arts Commission, which is unusual in that it is Orange County’s local arts council and is a formal part of the county government, is active and provides many supports and resources for artists, occasionally partnering with Chatham organizations for events or workshops.\textsuperscript{112}

The focus presented here is not intended to value the impact of some organizations above others, but is undertaken in the interests of simplicity and depth. There is a great deal of overlap in the people involved in many of these activities and other organizations. Any of the organizations mentioned above are acting or could act as intermediaries between art creators and economic development practitioners in arts-based economic development projects. Focusing on the organizations below merely provides a structure and more detailed lens through which to view these interactions.

3.3.1 Chatham Arts, the local arts council

According to the North Carolina Arts Council (NCAC), North Carolina has a particularly active state arts council that has helped foster over 80 local arts councils in various communities around the state. Most of these arts councils do programming, but a few are big enough to actually redistribute funds to smaller organizations (these are all in located in metro areas). NCAC representatives report that some arts councils work with their local Chambers of Commerce, the city, and downtown development interests, while others do not work well with these groups and see themselves in competition with many of them for state funds and local attention.

\textsuperscript{111} See the Triangle Potters’ Guild website for more information, \url{http://www.trianglepotters.org/}

\textsuperscript{112} See the Orange County Arts Commission website for more information, \url{http://artsorange.org/}
The local arts council in Chatham County, North Carolina is called Chatham Arts. It is a nonprofit organization and has been in existence for over fifteen years. The main office is in Pittsboro, the county seat (see Appendix B, Figures 13-15). It is run by a sixteen person Board of Directors, chosen by existing board members, a mix of local artists, business people, and interested residents, and an Advisory Board, who are largely local artists and residents involved in the arts scene for a many years. Chatham Arts is administered by a part-time Executive Director and volunteer administrative support. Funding for the organization comes almost entirely from donations, as they do not currently receive funding from Chatham County, and have access to limited funds from the North Carolina Arts Council. In the context of the local arts councils in the entire state, Chatham Arts has experienced a high turnover in executive directors, has had difficulty raising money, and has had an uneven partnership with the local schools.

In the past two years, there have been many changes with the organization, including a new executive director, new active individuals on the board, a new gallery in Pittsboro administered by Chatham Arts, and some financial and programming changes. The mission of Chatham Arts, as posted on their website, mentions economic development explicitly:

“Chatham Arts, the Chatham County Arts Council, is a not for profit organization that supports and presents the arts and artists in our community. We encourage community participation in the arts to enrich the quality of life of the county’s residents. We foster arts awareness and education, and we encourage the use of arts as a tool for economic development.” ([http://www.chathamarts.org/vision.htm](http://www.chathamarts.org/vision.htm))

Their activities reflect this mission to varying degrees, as explained below.

First, Chatham Arts’s activities revolve around events and event planning, such as their annual Clydefest, an outdoor arts and music festival held in the summer in honor of
local woodcarver Clyde Jones and a monthly Street Fair in Pittsboro (see Appendix B, Figures 16-17). They are also attempting to branch out into other activities such as increasing their involvement in arts in education and creating an arts center. Currently, their main programs include: maintaining a membership of residents and artists and providing limited services to them, running their office which also includes a gallery and store, maintaining their website, support and advertising for the annual Studio Tour of local artists in Chatham County, support and involvement in various arts-related events and music festivals, select fundraisers, and various arts in education activities.

Chatham Arts is a membership organization, with local residents and artists as members, so an important set of their activities are services to their members. These include discounts on select merchandise at their store, notification about various events, and discounted tickets to select performances. Artists can also register with them and are then listed in a directory on Chatham Arts website under media type or alphabetically, listing contact information and links to artists’ websites. Currently the directory lists 194 artists, with the following sub-classes: 75 in Crafts and Pottery, 1 in Dance, 10 in Design Arts, 9 in Folk Arts, 18 in Literature, none in Media Arts, 18 in Music, 15 in Photography, 11 in Theatre, and 33 in Visual Arts. Chatham Arts also facilitates select workshops aimed to teach artists business skills and prepare them for the Studio Tour.

Chatham Arts’ recently opened office and gallery, located on Main Street in Pittsboro, is the geographical heart of the organization. They display a rotating selection of local artists’ work there, and also have small logistical meetings and run administration of the organization from this location. Following from the information above, the

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Chatham Arts website is important in their presence and services to artists and others interested in the arts or in Chatham County. In addition to the directory, the website highlights upcoming events, and lists the following information: Chatham Arts contact information, office location and current gallery showing; history and mission of the organization; a calendar of events, the artist directory and links to arts-related local businesses and organizations in North Carolina; a link to the Studio Tour website; a section called “Arts in our Community” that features local events; a link to Arts in Education programs; special links and opportunities for artists; and membership information.\footnote{Chatham Arts website http://www.chathamarts.org/index.htm}

3.3.2 The Studio Tour

Perhaps the most well-known arts event in Chatham County is the annual Studio Tour, which features local artists who open their studios to visitors that drive around the county with an official tour map, available online or in print at many area locations, and visit the artists over two weekends in early December. This event benefits artists because they can sell goods directly from their studios, and many sell the majority of their work for the year here. Visitors also have a chance to see a working artist studio and also can get to know the artist, which is not possible when buying art in a gallery or online. The Studio Tour is marketed outside the county, and many visitors attend who live in other counties, so it is in effect an export industry.

This event began in 1992 and was founded by local artist Cathy Holt in partnership with Chatham Arts, who has now helped sponsor and market the tour for over twelve years, according to the Chatham Arts website. The Studio Tour began with 32 artists and
had 57 in 2004, working in a variety of media including ceramics, fiber, drawing, glass, jewelry, metal, mixed media, collage, painting, photography, silk screening, stone, and wood. The Tour also includes a reception for all the artists and visitors the Friday of the first weekend, with a raffle and the awarding of the “People’s Choice Award” for one of the artists.\(^{115}\) Chatham Arts features Studio Tour artists’ work in their Pittsboro gallery during the Tour time. From the 2004 Studio Tour map, about 40 of the artists are clustered north of Pittsboro, with ten located in Fearrington Village. Two of the Tour’s artists are located in the town of Pittsboro, around ten live south of Pittsboro, and four are in Siler City, all at the Arts Incubator (see Appendix B, Figure 18).

3.3.3 The Arts Incubator

Located in Siler City, the Incubator project, officially called NCArtsInc, consists physically of several of the large brick buildings that line the main street in the downtown area (see Appendix B, Figures 19-21). The project began when Leon Tongret, the director of the Small Business Center at CCCC in Siler City and a former entrepreneur himself, partnered with a group that was trying to save the downtown buildings in Siler City and bring commercial life back to the historic main street. According to Tongret, he thought a small business incubator model would work well for Siler City, and after researching different types of incubators he decided that the arts would be a good match, due to the concentration of artists in the county and because arts-based downtown revitalization has worked in many other places. The Incubator now consists of four large buildings, most taking up large stretches of blocks on Main Street in Siler City, and one located nearby.

\(^{115}\) Studio Tour website “About” http://www.chathamstudiotour.com/2005site/about/about.html
As described on a tour with Tongret, the first building we visited is an old car dealership, and is now being used or will be used as workshops for furniture refinishing, guitar making, jewelry making, metal furniture creation, and limited mass production for a sculptor. The storefront will be converted into a jewelry shop, a café with indoor and outdoor space, and an art supply store that is intended to supply clay to potters from Seagrove to Greensboro. The second building already had several artists, including two women making loophole rugs, a landscape painter, a reed weaver for baskets and chairs, and a high-end abstract. It also contained a photo studio and computers for joint use by artists, who use them now to take pictures of their work, for themselves and to send to galleries.

The third building contained the Incubator’s large gallery, more studio space for individual artists, and a substantial pottery area with several wheels and kilns, which is used for CCCC ceramics classes. Finally, the fourth building is an old two-story school extension to a church that burned down, and is in the early stages of renovation. The plans are for a high-end restaurant that will use local food, and they have already secured a prominent chef who has designed the restaurant. Plans call for a greenhouse in the main room, outdoor space, meeting rooms, private party rooms, and contract service for local businesses. The second story will be used for painters’ studios.

The Incubator can be noted for its successful track record in leveraging funds from the North Carolina Rural Economic Development Center, the city and county, and foundations for many of its projects. According to Tongret, the project has cost about $200,000 total to date. Of this, $100,000 came from Siler City itself, $44,000 came from the Rural Center, and the rest is from donations from private citizens, corporations, and
foundations. It is starting to attract many local artists and some from other places in the country. The aim is to make the project the largest arts incubator in the country, with ownership of 11 to 14 buildings in downtown Siler City, 250,000 square feet of space for 200 artists, and employing a total of 1,000 people. Tongret reports that the project’s timeline is about 8-12 years, and they are now in their third year and ahead of schedule. In addition to the above activities, the Incubator helped facilitate a recent public mural program in Siler City in which local artists painted walls of many downtown buildings.

3.3.4 The Shakori Hills Grassroots Festival

The Shakori Hills Grassroots Festival is a large-scale music, dance, and arts and craft activity festival held over a three-day period in the fall and in the spring at a farm in Silk Hope, in central Chatham County (see Appendix B, Figure 22). Now in its third year, the festival is an extension of a longtime music festival that has been held for over a decade in the Fingerlakes region of upstate New York in July. According to those involved with the festival, the organizers sought a permanent home for the festival and so bought the Silk Hope farm in Chatham County. Much of the sound, stage, employees, and other infrastructure is brought from New York, along with expertise and experience from running the other festival. Last year they attracted approximately 3,000 people, and they are hoping to one day attract as many as 10,000 to become one of the major folk and world music festivals in the country.

Because of a wealth of arts-related activities yet lack of specific art-based economic development policy, Chatham is an excellent case to study both the challenges

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in engaging in such policies and also the conditions that may affect potential projects. This study will therefore attempt to uncover both some of these problems and also suggest some possibilities for fruitful practice, as well as indicate areas for further reflection in assessing “success stories” of arts-based economic development.

In the next chapter, I turn to the findings from this case study.
Chapter Four

Arts-Based Economic Development:

Findings and Interpretations from Chatham County

This study focuses on the interaction between economic development practitioners, artists, and intermediary groups—particularly the local Arts Council, Chatham Arts—in Chatham County, in their attempts to create or their reactions to arts-based economic development strategies. Findings from this exploration could help planners and others better identify and understand the potential challenges that might arise in such a process, and to see what is working or what could work in the future to facilitate a successful planning effort.

As outlined in chapter one, I approached the above question through qualitative interviews. Below I will present the findings from these interviews, and then will present my interpretations of these results. The findings are organized into four sections: first, how the interviewees see the concepts of economic development and the arts; second, how the interviewees see the relationships between different groups; third, the interviewees’ positive and negative views of arts-based economic development; and

117 Because I am protecting the confidentiality of my interviewees, I cannot present the full context for their various points of view, and so the findings may not reveal as much information as the reader may desire. For example, each findings section is organized under two headings: “Views of economic development officials” and “Views of the arts community.” These headings are drastically simplified, and while the economic development category is not differentiated due to confidentiality concerns, the arts category is broken down into artists, board members and volunteers from Chatham Arts, representatives from other arts support organizations or individuals who are arts supporters, and arts-related small business owners (please see chapter one for a discussion of these categories). The real world is not so simple; many people belong in more than one category, each “category” is nuanced and is based more on the individuals’ role in a particular organization or job than other aspects of their lives, and it must be noted that the views presented are not necessarily the views of the larger group they may be thought to represent. Given these considerations, it is probably most appropriate to treat conclusions drawn from this case more as starting points for discussion and further exploration than as conclusive findings.
fourth, suggestions from the interviewees for ways to address communication gaps and increase efficacy for arts-based development strategies. The second half of this chapter is devoted to interpretations of these findings, including a summary of the findings; an analysis of how relationships between the groups work and do not work in helping to achieve arts-based economic development; and finally, some tentative recommendations for further exploration or action by the groups.

4.1 Findings from Chatham: Descriptions of and Opinions about Arts-based Economic Development Relationships and Activities

4.1.1 Definition and role of economic development

Views of economic development officials

For the most part, the people involved in economic development decisions interviewed for this study see the definition and purpose of economic development in terms of growth, particularly in terms of attracting commercial and industrial development, creating jobs, and increasing the tax base. Many of the eight people interviewed for this group acknowledged that traditional economic development focuses on industrial recruitment, which is a strategy used in Chatham County despite some local opposition to large firm recruitment. For example, as one of my interviewees noted, the county recently recruited a gravel plant from the firm 3M, which was opposed at first by many residents but now donates to social causes in the community, employs local people and contractors, and brings in $140 million (by 3M’s estimations). Four interviewees also felt that commercial development would be important, and one emphasized that high-end commercial would be the best route for the county.
Two considered economic development to be all activities that bring income to the area, including small businesses and tourism, and most emphasized that Chatham should use strategies beyond large firm recruitment. Many felt that economic development should contribute to quality of life in an area, and should address both economic and social needs in a community, while one felt that “sustainable growth” was important. Three felt that job training and entrepreneurial skills would be important for county residents, particularly through working with Central Carolina Community College (CCCC), although it was unclear whether they envisioned high or low-wage jobs. One also mentioned creating an environment that incubates new ideas and new businesses successfully, and two talked about encouraging agriculture and agrotourism.

One of the major concerns for economic development actors seems to be the lack of infrastructure in the county, in terms of old or insufficient water and sewer systems, and aging and/or inadequate schools. Many were concerned that residents’ taxes were rising due to the increased development pressure and expressed an urgency to bring industry and commercial development to relieve some of this tax burden. One lamented the unevenness in the county in terms of income; as mentioned in the previous chapter, because of the wealthy northeast section the county has a Tier 5 designation and so is not eligible for many of the state’s rural development grants. There seemed to be some varying views with the majority voicing that a broad range of industries would work for Chatham, while some felt that small businesses and other forms of economic development, such as tourism, would be a better fit.
Views of the arts community

Interestingly, the eight artists I interviewed saw economic development in much the same way as the above group, in that they felt it should provide jobs and help county residents make money. However, nearly all of them emphasized that maintaining a high quality of life is a crucial goal of economic development, and several talked about equitable distribution of benefits from growth, environmental stewardship, growing in a controlled way, and improving educational opportunities for residents. Some considered economic development to be the responsibility of the government, but one felt that private citizens can and do create better economic development groups, such as the historic North Carolina Farmers’ Alliance that helped increase financial benefits for farmers. One thought economic development should specifically help artists further their careers through continuing education and promotion of the Studio Tour.

Generally, the twelve Chatham Arts board members and volunteers with whom I spoke felt that, similar to the above groups, economic development should encourage businesses and jobs, increase the tax base, and improve the quality of life for everyone. Significantly, many felt that the purpose was not to develop the county too much or too fast. Many felt that large companies were not appropriate for Chatham, and that chain retail stores would hurt local businesses. Several talked about sustainable, small businesses, maintaining the character of the area, reducing commuting outside the county, and encouraging tourism through supporting the arts, building more lodging and retail, and focusing on downtown Pittsboro. There seemed to be some ambivalence between knowing that they could not begrudge new residents, as some are relatively recent arrivals themselves, and at the same time wanting the county to retain the rural beauty
and uniqueness they feel it has now. One did note that the “Not in my backyard” or NIMBY syndrome had prevented a few larger companies from moving to Chatham in the past, including a chicken factory and a landfill, that might have benefited the county. None talked about infrastructure problems, and many seemed to be more supportive of small scale, arts-based development rather than large subdivisions.

Of the six arts support organization representatives and individuals with whom I spoke, overall they felt that the purpose of economic development was to revitalize downtowns, preserve traditional ways of life, support small businesses such as those run by artists, create quality jobs, encourage tourism and spending, and make sure Chatham does not become a bedroom community with low-wage retail jobs. Some felt that artists are not as respected as other types of businesspeople by county government and businesses, and three thought that the Incubator in Siler City is an excellent model of working with economic development and education based around the arts. The two arts-related small business owners with whom I spoke felt that the role of economic development is to promote small businesses, and one felt that attracting people with innovative ideas is most important, through promoting the arts and other amenities such as dark night skies and rural landscape, a healthy riparian zone and recreational opportunities, and high tech connectivity.

4.1.2 Definition and role of the arts

Views of economic development officials

The economic development group generally saw the arts as encompassing a broad, if difficult to define, range of activity that is traditionally not in the scope of economic development, yet is an important part of Chatham County’s uniqueness. One
talked specifically about the arts as sculpture, stained class, metalworkers, painters, and photographers. Another considered plays and music to be what they would typically consider the arts, but acknowledged that it could include visual arts or even woodworking, which they thought was “more similar to a traditional industry.” About half talked about the subjectivity of art, and how the definition or judgment of art depends on each individual, causing problems when trying to define the arts.

Many in this group considered the arts important for a society, but not part of economic development’s focus. Some emphasized that the arts should be self-sustaining and value-added, not publicly subsidized, and one felt that artists have a “responsibility to share their art” and lamented that art distribution is governed by the market and not available to everyone. One focused on the potential of the arts to make towns in Chatham into destinations, while two mentioned the power of the arts for downtown revitalization, citing the Incubator in Siler City as an example. Two felt they were just starting to appreciate art, due in part to increased attendance at local performances and to their involvement in the Incubator project. Most in this group also talked about the arts as having a role beyond economic impact, as a form of expression, an outlet for creativity in a community, enjoyment for themselves personally, expanding knowledge of unfamiliar ideas, and increasing understanding across diverse groups.

Views of the arts community

The artists also considered art in a broad sense, most often encompassing visual arts, performing arts, craft, and less frequently literature and culinary arts. Some referenced the contribution art can make to the economy in terms of attracting tourists, selling artwork, and saving historic downtowns such as in Siler City. Three emphasized
that they did not create art primarily for money, and others downplayed the arts’ role in attracting tourism. One saw trade-offs for artists between creating “art for art’s sake” and integrating art into a community. All of the artists talked about art in terms of other contributions beyond economic benefits, including enriching people’s lives, as expressing an area or group’s identity and being reflective of the wider culture, as emotions put into tangible form, as a stimulant for people to think, respond, and appreciate the world around them, and as an engine behind “interesting and fun community-building projects.”

Those involved with Chatham Arts also talked about the arts in generally broad ways, but spoke more than the other groups about the role of the arts in a community. Two defined the arts specifically as including painting, sculpture, music, drama, and the literary arts, while another thought they are broad enough to encompass everything from a “well-cultivated field of vegetables, to art you wear, to art you’d hang on a wall.” Others felt it was very subjective and included any product of creative expression to which people respond. They felt the role of the arts should be to enrich people’s lives through enjoyment and participation; to contribute to education and learning, especially for children; to create an inclusive meeting ground for different people; and, as an existing resource, to be part of downtown revitalization, overall economic development, and to create a unique identity for Chatham County and Pittsboro.

People involved in other arts-related organizations felt that the arts were also a broad category. One felt the arts include the broad public process of representing the world, from creating objects to intellectual exercises to planning and architecture. One saw the arts as the creative expression in all people, and another thought the arts include whatever people create that they feel is art. Two felt that an arts product must be
something the creator considers art that someone is willing to purchase, whose value is beyond function and includes enjoyment. Most thought the role of the arts should be community-building in some way, through fostering a creative working environment, enriching peoples’ lives, bringing people together through events, and being inclusive. One business owner felt that the arts were good for the image of Pittsboro and also brought merchants together, while another expressed that they were not involved in arts to make a huge profit, but just to survive financially and give people—especially kids and teenagers—a place to “create and hang out.”

4.1.3 Relationships between groups

*Views of economic development officials*

Generally, the economic development group did not see themselves as involved in the arts, or saw economic development supporting the arts on a small scale, through the Incubator project or through various supports for artists or small businesses. A few of them saw artists and arts-based businesses as being part of economic development by virtue of making money and employing people in the county, and a few also thought that it was good to support and attend arts events personally. However, the majority did not see those involved in arts as involved in formal government-led economic development initiatives. For one, the only point of interaction was when artists needed help with regulatory permits for their buildings or land, while some saw economic development only portraying the arts as an amenity in their business recruitment strategies. For three, the Incubator was the best example of arts and formal economic development working together, while three also mentioned the Studio Tour and two mentioned First Sundays in Pittsboro as examples of interaction.
There seemed to be some ambivalence about the Travel and Tourism department, which seems well suited to facilitate arts-based economic development, as related by economic development officials. In Chatham, the department is part of the county government, unlike most tourism departments in the state that are typically part of the local Chamber of Commerce. Because of this, the events the department promotes must follow specific guidelines in terms of parking, lighting, handicapped access, and signage, and when events are not compliant in these ways (as has been the case with some studios on the Studio Tour), tourists have complained to the department. Because of this, the department has been hesitant to promote the tour, even though it is a major tourist draw. Also, there is a logical tension in that the department is paid through overnight lodging taxes, but many arts events are attended by “day trippers,” or tourists who just visit the county for part of day. Downtown galleries or businesses are easier for the department to promote, because they usually include parking, restrooms, handicapped access, and are near restaurants and amenities.

Few economic development officials thought that Chatham Arts played a significant role in facilitating collaboration, though some noted that Chatham Arts has been trying to connect formally with local government, particularly in recent years. Some admitted that they did not have time to think about the arts with all the new development concerns in the county. One thought that CCCC and the Incubator were playing a more significant role in connecting the arts and economic development than Chatham Arts.

Views of the arts community

For artists, many thought working with economic development officials meant working with developers, although some thought it could also mean working with local
business owners or local government. After clarifying that I was primarily referring to local government officials by this term, artists reported that they did not work with economic development entities, except through the Incubator and local regulatory agencies for permitting regarding homes and studios. Many artists talked about how art is different as an industry than other industries, in that artists are individual and hard to organize, and artists’ concerns are challenging to represent to politicians because there is no representative organization or official spokespeople. Also, many noted that arts are difficult to promote in an organized way, and many thought that word-of-mouth and self-promotion are used by most artists to market their work instead of a more formal marketing campaign. Other artists pointed out they do not need help cultivating a local market because their market is international.

Artists overwhelmingly thought that the role of Chatham Arts should be to make the community as a whole more aware of the arts and to promote Chatham as a friendly environment for the arts. Two thought Chatham Arts made specific contributions to their work, through emails about public art projects and through gallery sales, but one felt the organization focuses almost exclusively on visual arts and neglects other forms of artistic expression. Many expressed that Chatham Arts had been important in supporting the Studio Tour, but noted that the relationship has been contentious and that the organizations were likely to separate formally in the next year. Many also felt that Chatham Arts did not help artists significantly, and that their role was more important in involving the community in the arts, through the schools, performances, and other group events that are best organized by a formal group. One artist said that they benefited from Chatham Arts events more as a consumer than as an artist. Another reflected that an

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organization like Chatham Arts is important to the community even if it has limited direct interaction with artists, because it provides a centralized place a visitor can call if they are looking for an artist or want to know general information about the arts in the county.

Regarding other arts-related organizations, some artists felt that the Studio Tour felt exclusive due to its being juried, and chose not to participate. Some were also hesitant about the Incubator project. As one artist put it, they thought the Incubator seemed to “emphasize economics more than the artistic side,” and so they said they thought many artists were waiting to see how the project turns out in the next few years before they become involved.

People involved in Chatham Arts felt that, for the most part, people involved in economic development were not involved in arts activities or did not include the arts in their activities. Many thought that artists are contributing to economic development because they have jobs—though artists may not call it economic development themselves—and that Chatham Arts is fostering these connections through fundraising for the arts, networking with government, and the board’s personal involvements in planning meetings for the county. However, they generally thought that the EDC is not aware of the arts as a contributor to economic development. One said that although those involved with economic development policy may enjoy consuming the arts, they tend to take the presence of the arts for granted. Many pointed out that no artists or members of arts-support organizations are involved with the EDC board, and some felt artists are left out of decision-making and planning in the county in general.

According to those involved with Chatham Arts, the organization itself partners with many other organizations, mainly on events and fundraisers, including Friends of
Library, the Merchants’ Association, United Way, Chatham Coalition, Chatham Together, CCEC, local businesses, and the schools. Further, many of Chatham Arts’ board members are on other organizations’ boards, such as United Way, and are involved in other groups as volunteers, such as Chatham Together, Chatham Coalition, the Chatham County Family Violence and Rape Crisis Services, and school organizations, which provide links to community leaders.

Chatham Arts is also attempting to link with economic development officials through a regular “after hours” meeting with the Chamber of Commerce, through a newly established government awareness committee, through some meetings with the tourism department, and through facilitating grants for public art. Chatham Arts board members generally saw their role as providing this kind of link, and also providing a social good through fundraisers for local charities and arts education for kids, providing grants to local organizations for projects, providing artist information to consumers, and promoting local events. They also have co-facilitated marketing and studio preparation workshops for artists with the nearby Orange County Arts Council in advance of the Studio Tour.

People in other arts-related organizations also felt a distance between themselves and economic development officials. Two saw the EDC as being a closed organization, and one felt that developers are generally unwilling to get to know communities. At the same time, one felt that some arts-related spaces and activities appear exclusive in terms of race and class, and that the arts community is seen by local government as anti-development and a hindrance to government being able to pass regulations. Local business owners felt that economic development people were for the most part not involved in arts related activities and could be more supportive of small businesses in
general. On the other hand, some saw artists as not supporting local businesses either, because they were wary of sharing profits with a gallery. Finally, one business owner thought that people who work with economic development would help them if they asked, but no one had gone out of their way to support them.

Arts-support organizations and people thought that Chatham Arts’ role is to bring attention to the arts and to link arts to economic development, but people were more or less skeptical of their ability to do this. One thought they were linking with economic development with First Sundays, their gallery, and their events, but saw the Incubator as more adept at doing this. One also thought that Chatham Arts’ Clydefest event could take resources and visitors away from the Shakori Hills festival. Another thought that artists are ambivalent about the organization and feel they are on their own for the most part. Business owners saw Chatham Arts trying to connect with the tourism department, but with limited success, and saw economic development policy-makers as inaccessible by the organization. One thought that the schism between Chatham Arts and the Studio Tour was counterproductive, but they emphasized that the arts would continue to flourish regardless of “divisive politics.”

4.1.4 Positive views of arts-based economic development in Chatham

Views of economic development officials

People involved in economic development were of the opinion that the arts contribute to economic development strategies primarily by attracting tourists to Pittsboro, Siler City, and Fearrington Village, in contributing to the quality of life, and playing a small role in marketing the area to businesses. They also saw, as mentioned above, a small role in the contribution to the overall economy (though the extent is
unknown), and through the Incubator’s revitalization of Siler City. One felt that artists work very hard and employ “creative means to get a lot out of a little money,” so artists are cost-effective in producing consumer goods and accomplishing community goals.

Views of the arts community

The artists I spoke with related that many things are now currently working to connect them with economic development concerns. Over half mentioned the Studio Tour and about half mentioned the Incubator as examples; for instance, one described how the Incubator is having its artists create the dishes and some interior design elements for its planned restaurant. Most of the artists mentioned making art and auctioning it in conjunction with the Community Read as a link to economic development, and another noted a local writer who brings visitors to a local B&B for a weekend workshop. Finally, one mentioned a local artist with a successful international business who relocated from elsewhere in the state partially because of Chatham’s reputation as an artist community, which supports the idea that this kind of reputation can attract high value artists.

The artists also talked about several cases in which they are partnering with other artists or organizations in their work, such as pottery guilds, which they use to share business and technical advice; apprentices and relatives who help with the business aspect or some of the “less artistic” or more tedious tasks; galleries and dealers they work with; and various artists’ and writers’ groups who meet to talk about each others’ work. Several artists have sales networks that extend beyond North Carolina, but many emphasized that meeting with other artists and with consumers is useful for information and inspiration, in terms of gaining feedback on their work, socializing and gaining a support network, and forming partnerships for collaboration.
People from the Arts Council felt that many things were working to combine the arts and economic development. Most mentioned the impact of the Studio Tour and arts-related businesses in Pittsboro, such as the General Store and the Chatham Arts gallery. One mentioned artists who are clustered and have created a destination, such as at Moncure in the southeastern part of the county. Two mentioned the Incubator as an example, but one was concerned that county economic development officials regarded it as the only arts-based contributor to economic development. One noted the impact the arts have had on real estate sales, in that many people buy homes in Chatham at least in part because of its artistic reputation, and another noted that the arts are increasingly used to teach math and science classes in the schools and could be considered a component of good school districts that attract high income residents.

One expressed their opinion that downtown Pittsboro merchants and Chatham Arts, along with festivals like at Shakori Hills, do more to attract visitors than the actions of local government. Finally, many talked about how arts-related activities connect the arts to economic development actors or goals, such as events that involve local politicians, artists’ donations to fundraisers, artists’ volunteer work in the community that connects them to politicians, and links with people involved in local agriculture and agrotourism through joint events.

Representatives from other arts-support organizations reported a similar range of examples of arts-based economic development, including the Incubator, arts-related businesses in downtown Pittsboro, and the Studio Tour. They also added CCCC classes, art suppliers, Fearrington Village, and artists helping to build private homes as more linking examples. Three also noted the Shakori Hills festival, which is not yet financially
viable but has been successful in networking volunteers, bringing visitors, and bringing
people together as consumers. A few noted that artists are running businesses, which is
by definition economic development. One felt that most arts-based economic
development activity was small scale and bottom-up, not the result of formal,
government-led strategies. Finally, business owners thought that the arts in general and
particularly arts-based events brought visitors, which was important to them.
4.1.5 Negative views of arts-based economic development in Chatham

Views of economic development officials

Perceptions of artists from many in the economic development group
characterized artists as independent—as one said, “doing their own thing”—and in some
ways different from themselves. One noted, “Art is transformative, while business is a
transaction, and can the two ever meet?” They elaborated that planning and economic
development have a regulatory nature and take a long time to produce something, while
art is not regulated, does not need much infrastructure to create, and visible results occur
relatively quickly. Over half thought artists are relatively separate from economic
development officials in terms of spaces of social interaction. For example, one thought
that the General Store in Pittsboro was a place where artists meet, but not usually a place
the economic development group frequented. One also felt that government was slow to
change its views and tended to uphold the status quo, so they were less open to new ideas
than artists.

Some in the economic development group were concerned that artists perceive
that local government representatives see artists as “flakey” and not as good
businesspeople. However, the group emphasized that they see artists as very intelligent
and, for the most part, savvy businesspeople. However, some noted that economic impact data would help back up claims to the arts’ contribution to the economy. Some felt anxiety about not having hard data about art sales and sales taxes, and there was some concern about artists not paying sales tax on their work by selling it “under the table.” Some doubted whether artists thought about how they could fit into local economic development, and further, whether there were incentives for them to participate in such efforts. However, one said that since both economic development and art takes discipline and hard work, the groups probably have more in common than they think. Finally, one emphasized their respect for artists in terms of the stamina to create art and often hold a second job.

Further, some were concerned about the ability of Chatham Arts to act as an effective linking organization due to its history of instability, financially and in terms of having a high turnover in executive directors, although at least one noted that the organization seemed to be improving. Finally, some were afraid that the arts community is generally against growth and the plans for new residential development in the county, and so they may have a bad impression of county government as a whole, which hampers their ability to work together. One also felt that artists and art-support groups were some of the most vocal, but that government needed to focus on other engines of growth as well, such as organic farming and sustainable agriculture, and perhaps link these more with the arts.

People involved in economic development felt that the lack of infrastructure, in terms of water and sewer connections and school facilities, was the most important issue impacting economic development in Chatham. Many people involved in economic
development thought the issue was not a lack of desire to be involved with the arts, but a need for more time and a project that would motivate them to do so. As one person said, “So many important things in the county other than the arts need nurturing, that you need someone to pull it all together.” People involved in economic development felt that the lack of infrastructure, in terms of water and sewer connections and school facilities, was the most important issue impacting economic development in Chatham.

There was a considerable amount of concern about the uncertainty due to proposed development among the group. Some thought infrastructure would be a necessary first step for the county, while others were concerned about a lack of planned growth and knowledge about what services, such as hotels and restaurants, will go into the developments. Many also expressed opinions that the county needs more industrial and commercial taxes, because residential taxes will increase due to the proposed residential development. A few were concerned that Chatham was so diverse that it is hard to bring people together, and one thought the arts could do this. Further, several noted a historical social and political split between the eastern and western parts of the county, dividing Pittsboro—whose residents tend to associate with the Triangle area—and Siler City, whose residents tend towards the Triad area. One suggested that the Incubator could bring people from the eastern side to the west. Finally, one felt dismayed that the arts are not part of county or private firm budgets, or more prominent in the school curriculum.

**Views of the arts community**

Artists also noted at least perceived differences between themselves and the economic development community. For example, many artists said that they did not see the bottom line as the most important aspect of their work, as opposed to what they saw
as economic development’s interest in economic growth. For example, some artists did not want to expand their business more and were content with their current level of work and income, while others said they would not sell their work to developments or projects with which they did not agree. Many also emphasized that they did pay sales tax; one said they “would be afraid not to.” Further, as noted in the definitions section, most artists thought everyone has creativity and the potential to be an artist, but, as one said, “Most people just don’t see themselves that way.”

There were also internal differences of opinion about the role of government in the arts. Concerning the role of government subsidies for art, some felt that art is not as valued by society as other industries so artists need public support, while others felt that artists should support themselves. One felt that government money for the arts was poorly organized, and that there were too many arts organizations in the county and not enough understanding about what really helps artists or arts in a community. Most noted some concern about the proposed development, because many felt that if the land is developed too much then artists would stop seeing Chatham as a quality place to live and work, and, as one thought, it would also discourage “people with creative ideas for small businesses.” In addition, many artists emphasized the importance of arts in education and thought government should subsidize this more.

People involved in Chatham Arts noted some confusion about the role of government and also many divisions in the county that are affecting opportunities for collaboration between government and organizations. For example, several felt that since they are paying county taxes, government should be more responsive to the needs of arts groups, such as requests for a cooperative space for art creation, sales, and performance.
Also, many wanted more government support for arts in education. Instead, many felt that economic development actors are focusing too much on large firm recruitment. Many noted a mismatch with the tourism department, due largely to their interest in overnight visitors, while typical arts visitors come only for the day.

Many also felt that economic data would help convince local officials of the value of the arts and the need for support, but were unsure about how to conduct such a study. Many people involved in Chatham Arts thought that rifts between different county organizations have affected possibilities for collaborative projects. As one offered, these rifts might be so serious because there is “so much emotion in the arts.” Finally, many noted that Chatham is a divided county geographically, racially, and politically, a situation heightened by the current divisive politics of development.

Other arts-support organizations also thought a central problem in Chatham was the difficulty in bringing different people together, particularly in the current situation when, as one said, “people’s energies are divided for or against new development.” One person thought that economic development nation-wide is slowly changing from the industry recruitment model to incorporating the arts, but there are few models of potential benefits for using the arts near Chatham, with the possible exceptions of the Seagrove area and the Mount Airy region. Further, they felt that the local market may not be large enough to support local artists. One was of the opinion that local officials are often afraid to support art because it might be controversial. Another saw the role of government-led economic development as providing land and infrastructure for businesses, whereas promoting the arts should be the role of arts-support organizations. Finally, many were concerned that the real value of art was not in its economic impact, and that if arts
advocates continued to focus on that, they would lose out to more profit-focused industries or strategies.

4.1.6 Suggestions to help increase coordination and efficacy of the economic development and arts communities

*Views of economic development officials*

People involved in economic development had many interesting ideas about what could bring arts and economic development together. Many of these ideas involved increasing current economic activities, including: expanding the role of the arts in downtown revitalization; increasing the sales of art goods and the markets for them; expanding the Studio Tour to more weekends per year; using large properties, such as the fair grounds, for arts fairs; and building high-speed connectivity in the county. One suggested three interesting ideas: spending a certain percentage of money for new buildings on art; involving artists with developers and planners to create more beautiful architecture; and holding “art days” in various industries, such as reading poetry or literature at a factory to encourage worker creativity.

Many talked about the conditions that might help groups work together. One pointed out that there are few reasons to engage in partnership without a project, with the exception of the Incubator. Several talked about how difficult it would be to get the groups to talk with each other, and suggested having a forum where the groups could meet in an environment where people from different perspectives could talk, let down barriers, and try to see the other group’s point of view. One thought that such a forum could be the beginning of a long-term conversation. Another suggested that Chatham Arts could send someone to sit on the EDC board, or give a presentation to the EDC. Another thought that artists should try to explain what they do to economic development
actors in more business-focused language, such as telling them about their business plans. Several said the largest barrier was lack of time and money to commit to a process, for government officials, volunteers, and artists.

Views of the arts community

In terms of what artists felt could work to combine art and economic development, several thought that supporting the Studio Tour was most important, and a few felt supporting the Incubator was also important. They also wanted individual support, and mentioned babysitting assistance, more promotion of their work and Chatham in general, help with conforming to building regulations, group health insurance, workshops on writing grants, writing a business plan, dealing with financial institutions, and help getting local and state grants. Artists also suggested that more art-specific spaces would help them in their work, including more galleries, small spaces for performances and artist meetings, and low-cost or free spaces for creating written, visual, and performance art.

According to the artist group, their major challenges included making a living, expanding their market, garnering investment money for expansion, getting more commission work, and being reliant on the state of the overall economy. Many also mentioned wanting to have more free time to develop their ideas, the struggle of having to make a large amount of work to stay afloat, problems with regulatory agencies in terms of their studios being compliant, and getting health insurance. Some had a second job that allowed them to keep creating their art, some had a second job off and on, and others relied largely on a spouse’s income. Some referenced the challenge for artists to also be adept at running a business, and one felt that “many artists fail because they know how
make their art very well, but do not want to understand business, which they need to do in order to survive.”

Suggestions from artists for how an organization could help them connect with economic development projects included: facilitating working with developers, requiring that two percent of new construction costs to be devoted to art, and measuring the economic impact of the arts for lobbying purposes. In addition, they thought that a support organization could work with artists to publish a map of studios or could help artists coordinate working together and expanding to new markets. Finally, one artist noted that arts-related projects work best when the process is “organic” instead of planned, saying, “the process should begin with a supportive network for artists, and then economic development will follow.”

The people involved in Chatham Arts and other arts-support organizations suggested many ideas for arts-based economic development projects. These ideas most often included creating a local performing arts center and partnering with local entities in other specific ways, including: working more with developers and the community to promote public art and art in local schools; with businesses through downtown revitalization; with local government through their helping to fund and facilitate art-related projects; and with artists through providing training or publicly-funded support services.

As noted above, many from this group suggested that a successful collaborative project could be a performing arts center, either publicly owned or in a public/private partnership. Some suggested using the old mill building near Pittsboro, while others suggested building it in one of the new developments. Several also thought that
connecting artists with developers could result in benefits for both, in that artists could gain work and the new developments would have, as one said, “artistic touches.” Many also talked about working more with the community through art in the schools programs, including increasing artist residencies in schools. Two felt that involving the community and local government on a greater scale would work, through involving large numbers of new homeowners, businesses, and local government in art projects such as a public art program.

Many tied the idea of a performing arts center to the concept of downtown revitalization. Specific suggestions for downtown improvement included signage about art events throughout downtown Pittsboro and their traffic circle, space in downtown business storefronts for art, increased tax incentives for historic home restoration, and closing Main Street to large trucks. One recommended encouraging high-tech oriented entrepreneurs to move to the area through promoting arts and installing high-speed connectivity. Two suggested more arts events or or increased public and community support for existing events, such as Shakori Hills or street fairs.

Others suggested specific artist supports, such as more workshops on business skills, more grants, and more venues to sell art. One suggested going beyond workshops to providing services for artists, such as providing a printer for business cards, offering them a shared vehicle for art transport, and providing credit card machines for use during the Studio Tour. Another suggested recruiting art supply stores to move into the area. One recommended working to change the “starving artist” stereotype by recognizing artists more as businesspeople and as customers for art supplies and other goods.
Throughout, many interviewees from Chatham Arts and other arts-support organizations emphasized government funding for the arts as key, and also talked about the ability of the arts to not only contribute to the economy, but also to bring the community together. One said that an art project involving people with different political views could bring a “sense of cohesiveness” to the community and could also help at-risk youth. Artistic endeavors can also bring people with different backgrounds together; for example, a local organization called Musicmakers, which supports African American blues musicians in Chatham, has brought musicians from different sides of the county and of different racial backgrounds together in a concert series.

Many also thought a collaborative effort would be easier if government leaders and foundations more publicly recognized the arts’ contribution to quality of life through funding the arts more directly or through promoting Chatham as a community that actively wants and supports artists. One said, “the government must realize arts are an economic force in Chatham; it’s like being on the coast and not recognizing the value of fishing or tourism.” One suggested that local government could make a good will gesture, such as offering to do something small—for example, offering to print 1,000 copies of the Chatham Art’s artist directory, partially for government offices and partially for Chatham Arts to distribute.

Many see the arts as a way to avoid a lesser quality of life that could result from the new development, speaking to the level of fear about the coming changes. One felt that Pittsboro could be a destination for people looking for a slower pace of life through emphasizing the arts, and another felt that if the community supported the arts and aesthetic beauty more formally, residents would be less likely to sell their land for big
box development. One envisions a future Chatham that includes “the mill with theater, music, arts, education, spaces for kids and teenagers, and food, while Pittsboro will have antique stores with art, cool restaurants, murals, flowers put in by the merchants,” noting “it would take a lot politically to get this to happen.” Another thought, “Art could be a reason for people to come to Pittsboro, not just pass through it.” Many saw art as a way to make Pittsboro and Chatham as a whole into destinations, and one thought if government and planners bought into the concept, they would one day be proud they were part of it. To bring the groups together, one suggested serving on each others’ boards using the promotion of Chatham and its artists as a common interest.

Board members and volunteers had many suggestions for Chatham Arts to function more effectively, including: addressing the tension between art groups, that is at least in part due to limited resources; focusing more on programming than events; encouraging artists to help Chatham Arts more; becoming more stable, financially, gaining grants, and in terms of leadership; reducing tension with the Studio Tour through building bridges; working more with the Incubator, which many feel is difficult because, as one put it, “they’re on the other side of the county, so Chatham Arts sees them competing for funding”; and reaching out more to different social groups, particularly minority groups.

Representatives from other arts-support organizations also had many ideas for what could bring arts and economic development together in collaborative projects. One suggested that local government have a department devoted to the arts, but also felt that it would help to show numbers about the economic impact to convince government to do this, as Chatham’s organic and specialty farms did in their lobbying for an office at the
state Department of Agriculture. Two others felt that local government could reach out more and donate to arts support organizations, to show they acknowledge the role of arts and to build bridges with people they may have differences with.

One saw the local community college as a crucial connector between arts interests and government. Other ideas included a public art program such as the public murals in Siler City; involving the wider community in the arts through theater performances, like the Millworker; expanding the market for artists; and requiring performance space and locally-owned businesses in new commercial development. Achieving downtown revitalization through high-level performances was also mentioned: as one noted, “People will travel any distance to see shows they want to see.” Finally, one person suggested involving the Latino population in Siler City in a craft co-op, because there is evidence for an untapped pool of skilled craft workers there: according to them, a Catholic church in Siler City was being rehabbed and asked for volunteers to help. Members of the local Latino population contributed through skilled carving and tile work, yet their everyday jobs were in a chicken factory.

Arts-related business owners also had some ideas, including following the Handmade in America model, which one said appears more economic development-based than an organization like an artists’ guild. They also suggested expanding the Studio Tour to more weekends a year, and suggested that local government could aid in making regulatory and zoning requirements more friendly for the studio owners. One thought that working with the tourism department was the most feasible idea for linking with local government, noting that arts-support organizations and the department seemed to be getting over past differences. They also thought the arts could be used in business
recruiting, such as including information in a packet or having representatives from potential companies visit the Incubator or attend the Studio Tour on a recruiting trip.

Arts-related business owners, for their part, felt that the most important factor for economic development was attracting “people with imagination” and also with experience in running a business that involves art. Finally, one felt that if the mill were redeveloped as an arts center, it could “put Pittsboro on the map” as a tourist destination.

4.2 Interpretation of Findings

4.2.1 Chart, relationships between groups

In the Appendix I have included an estimate of ties between many of the organizations discussed so far, as derived from my findings, experiences, and interpretations (see Appendix B, Figure 23).\(^{118}\) In this chart, it is important to note two areas of distinctiveness. First, the relative importance, strength or weakness, or lack of ties between particular entities is notable in the following ways: Chatham Arts and many arts groups seem to not be working with the arts incubator or have weak ties with them, while local government has important ties to the project; the Studio Tour has weak ties with some artists and strong ties with others, and has weakening ties with Chatham Arts; the links between the Shakori Hills festival and other arts groups, local government, CCCC and businesses are unclear if nonexistent; many local businesses seem to have weak or unclear ties with Chatham Arts and other arts groups, and also with local

\(^{118}\) Please note that my approach in charting these connections is interpretive and based on my own experiences and interpretation, and I have not used a networking software program utilizing surveys or interlocking directorates approaches that are typically used in network studies. This type of methodology could be a useful supplement to the research presented here. For methods and an example, see Wasserman, S. and Faust, K. 1994. *Social Network Analysis: Methods and Applications*. Cambridge: Cambridge UP; and Safford 2004
government; the strength of the connections between Chatham Arts and CCCC are unclear; and, finally, artists in general do not seem to be linked in a strong way with Chatham Arts, local government, or businesses.

Second, it is informative to note the nature of these relationships. Citizens seem to receive mainly services, products, and amenities while they provide money, as consumers and taxpayers, and are participants or volunteers. Local government gives financial support and provides public services, and occasionally provides another form of support, while they receive contributions to greater development goals but limited direct outreach. Chatham Arts tends to receive financial and volunteer support from other entities, and provides consumption services, such as events, to citizens and some help to artists, while artists seem to provide the basis for many of Chatham Arts activities. Artists seem to receive quite a bit of support, services, and economic benefit from various activities and entities, although this would be largely dependent on whether the artist generates the opportunity to gain these benefits. The incubator seems to get financial and knowledge or skill-based resources, while it gives a wide range of services in its connection with other entities. Finally, CCCC and local businesses have services and resources available for other entities, but it is unclear how they are connecting to these other entities.

4.2.2 The role of arts and economic development

Ideas from the groups about the role of economic development are remarkably similar, and have to do with economic growth, increasing jobs and incomes, and encouraging business in the county. The economic development actors emphasized the role of infrastructure more than the others, which is understandable since that is the nature of their jobs, and they also accepted the idea of large firm recruitment which the
other groups for the most part did not. All of the groups talked about quality of life and equity issues, although artists and arts-support people emphasized these more than the economic development actors, and the arts-support group is perhaps most notable for its assertion that economic development should not be unplanned growth, and that small businesses were the best fit for Chatham. In addition, some in the arts community felt that the economic development group saw them as opposed to development in general, whereas this was not necessarily the case.

The groups see the arts in a broad and generally subjective way, encompassing the products of many types of creative expression, and they all see the arts as contributing to community-building. The economic development group tended to see the arts not specifically or formally as part of economic development, but as having value beyond their contribution to the economy. Artists saw the arts as contributing to quality of life and personal growth and understanding, but acknowledged their role in a vibrant economy and vital towns. People involved with Chatham Arts tended to emphasize the role of art in a community, in terms of contributing to education, providing a reason for diverse residents to meet and bond, and encouraging economic development mainly through downtown revitalization and creating a widely-known identity for Pittsboro and Chatham. Finally, representatives from other arts-support organizations also felt that arts should contribute to community-building and emphasized that the goals of arts-related businesses go beyond the bottom line.

The groups do not seem to seriously disagree about definitions of economic development or the arts. However, it seems that there are significant differences about how the groups regard the role of the arts and economic development that we can draw
from the above evidence, such as confusion about who carries out economic
development, questions regarding the role of economic development in the community,
and the challenge in balancing encouraging growth and sustaining the present quality of
life. Also, there are questions and disagreements about arts as an amenity, as part of (and
the responsibility of) economic development or the public sector, and/or as part of the
community-building process. It seems that some economic data about the contribution of
the arts in Chatham would help resolve or address some of these questions, but—as noted
earlier in this report—there are many methodological, political, and financial challenges
to conducting such a study.

4.2.3 How the nature of relationships works in achieving arts-based economic
development in Chatham

The groups seemed to think that many current activities are already working to
achieve arts-based economic development, although many also suggested embarking on
new projects. The economic development group suggested increasing current activities,
involving art in businesses more directly, and needing a reason to talk, a forum, and more
time for collaboration to facilitate arts-based economic development projects. Artists
thought that support for current activities, like the Studio Tour and Incubator, as well as
individual assistance for artists would be helpful. They felt an arts support organization
could help them connect and collaborate with developers, and could also measure the
impact of the arts for lobbying purposes. Some also thought that artists and arts-support
organizations should reach out more to developers and people involved in economic
development policy, noting that outreach goes both ways.
People involved in Chatham Arts suggested many ideas for potential partnering, including creating a performing arts center. They also emphasized the need to involve arts in community-building and in forging a public identity for the region, and the need for both government and artists to reach out to each other and to arts-support organizations. Other arts support organizations suggested that local government should reach out more and acknowledge the value of the arts more publicly. Further, they suggested bringing more high-quality performances to Chatham, building more performance spaces, establishing a Latino craft co-op, expanding the Studio Tour, and using the arts more actively for business recruiting.

The groups seem to have similar ideas about what they see as positive, although they have varied ideas of what could work in terms of expanding current activities or facilitating more effective partnerships. Many of these suggestions are versions of one or another group reaching out in a small way or recognizing the other. There are a number of collaborative arts-based economic development projects that everyone more or less agrees are working successfully, such as the Studio Tour, other arts-related festivals and events, and the Incubator project. There also seem to be many promising ideas for working together more successfully, with particular criteria for success, including: a reason to work together, involving mutual incentives and a substantive project; a forum for working together constructively, in such a way that can transcend historic divisions; clear definition of the roles of the different parties; and a person or entity that takes the lead in organizing the stakeholders.

4.2.4 How the nature of relationships does not work in achieving arts-based economic development in Chatham
The economic development group generally did not see the arts as part of a formal economic development strategy, although some saw arts as contributing to such a strategy. In addition, the tourism department, seemingly the most obvious partner for the arts, has experienced some tensions and ambiguity as to its role. Finally, there were misunderstandings and problematic perceptions about artists and arts-support groups, stemming partially from some logical differences between making art and regulating a county, but also likely from a history of division, geographical and social separation, and a lack of information. There is also some mutual fear on the part of both the economic development and arts groups that the other group may not want to work with them.

Artists felt that they were not sure who carried out economic development or how they could participate in it. Further, they saw themselves as a whole as not organized enough for planning or economic development efforts to help them, nor did they feel they could contribute to such efforts in formal ways. They appeared unsure about how an organization could help them, disagreed about the normative role of public money, and were concerned about the new development driving other artists away. Artists were generally most concerned with staying financially solvent, whether through producing art at volume, finding the right market, figuring out how to run a business and deal with regulations, or managing a combination of jobs. They emphasized that most, if not all, artists in the county conduct their business above board and contribute sales taxes from their work. In general the artists did not place financial profits above personal quality of life or their morals.

The Chatham Arts group seemed to think that some of the major problems in working with economic development actors stemmed from these actors not recognizing
the value of arts to the local economy. There was some desire to connect with economic development interests, but confusion about how to do so. People from arts-support organizations and local businesses thought that many of the differences had to do with a lack of interaction or mutual support on the part of those involved with economic development and on the part of artists and people involved in arts-support work.

Many in both the artist and economic development groups felt that the role of Chatham Arts and its relationship to artists and other arts entities needs to be defined more clearly. One point of ambiguity seems to be between Chatham Arts’ role as an educator—for school children, the community as a whole, and local government—which requires artists to help them, and on the other hand their role in providing support to artists. As one arts supporter observed about the split between Chatham Arts and the Studio Tour, “the artists feel that they built the Studio Tour and they don’t need Chatham Arts, but Chatham Arts feels they’ve supported the Studio Tour.” This highlights the tension between wanting to help artists and also needing their help. This is not to say that it is impossible to do both, but it may require a more clearly defined role or roles for Chatham Arts.

The most significant contextual issue affecting this case appears to be the uncertainty surrounding proposed residential development, which seems to be causing increased divisiveness between different groups. While economic development actors are worried about infrastructure and balancing regulations and tax base demands, artists and arts-support organizations seem to be highly skeptical that new development will improve the county. Another mediating factor seems to be the history of division in the county along geographical, racial, cultural, and social lines, which is not helping groups
talk to each other in any organized way, and indeed has likely contributed to a polarization along pro- or anti-development lines.

There is also a great deal of separation between arts and economic development groups as they are not on each others’ boards, there is no common language to talk about these issues, and there is not really a formal group representing artists’ interests. Further, the motivations of artists and arts-support groups are often different, there is a lack of perception of mutual respect, there seems to be haphazard inclusion in planning processes, and many feel left out of various streams of communication. Finally, there is fear about proposed development on all sides, including the economic development group, who expressed uncertainty about not knowing how the increased population will affect their county, not knowing how developers will act, and being unsure if they can manage all of the competing demands.

In terms of barriers to the three groups working together in arts-based economic development projects, the groups generally focused on the same types of problems, including: lack of mutual interaction, lack of mutual understanding, and having different goals or lacking common interests that would give them a reason to take time out of busy schedules and work together or engage in this type of effort.

I now turn to conclusions drawn from this case study, implications from these findings for other bodies of theory, and suggestions for further research.
Chapter Five

Conclusion

In this report, I have presented my findings from a case study of the arts and economic development in Chatham County. In chapter three, I introduced Chatham County in terms of geography, demographics, economic characteristics, and major institutions. I described Chatham’s characteristics of uneven affluence, racial diversity, impending development due to high regional growth, political division, impediments to garnering commercial and industrial development, and multiple groups of people who care deeply about the place in which they live. I also introduced many active arts-related groups and independent artists present in the county, such as the local arts council, the annual artist studio tour, the arts-based business incubator project, and the Shakori Hills music festival, among others.

In chapter four, I utilized findings from qualitative interviews to reveal opinions about arts-based economic development from local economic development actors, artists, and people involved in arts-support activities. The main insights from this section focus on the relationships between these groups, both real and perceived. My findings suggest that while various involved groups thought they were quite different in terms of how they viewed the concepts of arts and economic development, they in fact held similar views of many concepts. For example, most of the interviewees thought that economic development should mean increased wealth and quality of life for county residents, and that the arts could play a role in that, although the arts and arts-support groups were much more concrete about how the arts could contribute. Also, all of the interviewees felt that
the arts provided benefits for a community and individuals beyond economic benefits. However, there were some differences: for example, several (but not all) people involved in the arts expressed views against the current proposed development, while those in the economic development group aimed to mediate, not stop, new development, and further felt that the lack of infrastructure was the most important issue in Chatham. Additionally, people involved in economic development often did not see the arts as part of formal economic development, but as having value beyond economic contributions.

I also found that all of the groups noted that they did not lack the desire so much as the common ground to initiate projects that would provide mutual benefit. Many noted a difference in terms of activities and goals, which did cause some disjuncture in terms of motivation to engage in various projects. For example, artists spent far more time creating art in their studios than engaging with regulatory agencies, while people in the economic development group were engaged in regulations constantly but had less familiarity with arts-related activities (although many did attend local performances and some art sales events). Arts-support organizations were more engaged with events and issues in the wider community than with either art creation or regulations. Finally, artists were often confused about who carried out economic development, and many noted that artists were distinct from other professionals in that they were more difficult to organize.

More significantly, prejudices and signs of mistrust existed between the groups, as seen through interviewees assuming misinformation about other groups or thinking the other groups were unwilling to collaborate. Much of this mistrust seems to stem from a lack of knowledge about the other groups, a lack of shared language, negative past experiences, and uncertainty about the roles each entity could and should play in the
county. To give two examples, the arts council seems to be struggling with a tension between wanting to help artists on the one hand and needing their help to bring art to the community on the other, while the tourism department is faced with a tension between attracting overnight visitors and promoting day tourism.

I also observed that the groups were still grappling with a past history of division. As discussed above, there are historic racial, social, economic, and geographical divides between groups of people in Chatham, with little (physical or metaphorical) space for meeting on common issues. In addition, divisions seem to be amplified by proposed development concerns, although this issue is also bringing some people together in organizing for common causes. The arts are playing a divisive role in some ways, as seen in the current divisions between arts-related organizations, and through alienating some local government officials through perceived unwillingness to work together or appearing opposed to development. However, the arts are also bringing diverse people together, in projects such as fundraising events, local plays and music performances, street fairs, festivals, the Studio Tour, and the incubator project.

5.1 Discussion

My assessment and findings are influenced by the particular context of this case study. For example, not every location would be subject to historical geographical divisions or the particular pattern of development seen in Chatham County, nor would many rural counties be so affluent or have so many relatively wealthy newcomers. Also, Chatham is located in proximity to large art markets and metro areas with many amenities, which would not be true in many rural places. Further, the particularly intense
development pressure and level of community organizing against it is unique to this particular time and place.

Chatham’s demographics are also specific to the place, given a historic African American population and a new Latino population, which may have bearing on the relative lack of social and racial interaction. The structure of government is also different than in many counties, given the power of the Board of Commissioners and the tourism department’s being part of the county government. Finally, the historic existence of so many artists and a well-established studio tour is not typical for many rural areas. Considering these factors, Chatham could be seen as typical of a gentrifying rural county grappling with development pressure and trying to retain its existing assets in the context of different populations being thrown together.

There are many lessons we can we derive from this case study, despite the above peculiarities. For example, interviewees have proposed many ideas to bring people together to implement arts-based economic development ideas, including holding a forum to find common ground and mutual interests, engaging in projects that have tangible benefit for all stakeholders and incentives for continued involvement, using economic data on the arts in Chatham to begin a discussion of its contributions, and—among the involved organizations—increasing public displays of mutual support and integrating their boards of directors. Also, many of the parties involved suggested an increased role for intermediary organizations, such as the local community college or the local arts council, in bringing people to the table and involving them in a project. Many desired more clearly defined roles for arts-support organizations, more outreach by everyone involved in arts and economic development, more attempts to transcend reactionary or
hard-line positions, and increased willingness for all the groups to brainstorm and let down their defenses.

There are many challenges to overcome in attempting projects as complex and emotionally charged as those typical of arts-based economic development, including initial stakeholder skepticism, finding common ground for collaboration, and discovering appropriate roles for each actor, particularly for intermediary organizations or individuals. The same could be said of most planning projects, such as a downtown redevelopment project or a new transportation plan. Basing economic development or other projects on the arts, however, can be particularly challenging in certain ways, and also can be particularly rewarding for communities.

The research presented here has identified challenges to arts-based economic development including: heightened perceptions of stakeholders lacking common interests or worldviews; confusion about the role of government subsidies; difficulties in understanding the costs and benefits of an arts-based strategy as opposed to other methods of economic or community development; and difficulties in working with artists as a collective group. Effective strategies should establish leaders who can facilitate “translation” between groups and propose mutually beneficial projects, and to generate support—financial and in spirit—for intra- and inter-group activities, for the arts, and for increased social interaction. Tentative recommendations for the groups in Chatham would include defining their own and one another’s role more clearly; holding meetings or forums for social interaction, discussion of arts-based economic development, and identifying barriers and contextual issues; brainstorming feasible projects with mutual benefits; reaching out to each other in concrete and sensitive ways; helping one another
achieve goals; and partnering with other economic development opportunities, such as local farms and agrotourism interests.

Involving art in a planned project can be intimidating, for planners and government officials as well as for artists. The former group might be nervous about what the art may contain or how the general public will perceive it, and the artist may be nervous about creating a personal work for public judgment or aligning themselves with government or development interests. As one interviewee said, these projects can be so contentious because “there is so much emotion involved.” Also for this reason, people are drawn into arts-based projects, such as a public mural project, public sculpture gardens, teaching art to troubled youth, building and participating in a local arts center, or participating in a project like an arts incubator. Creativity is part of being human, and creating various forms of art can be deeply emotional, pleasurable, informative, and challenging. Creative projects can also foster positive ties between groups in a community, whether they achieve arts-based economic development or are called upon in future times of crisis or opportunity.

5.2 Theoretical Implications and Suggestions For Further Research

There are myriad directions that one could take the ideas presented in this case study, in terms of further research and implications. As discussed in Chapter Two, this research holds implications for understanding the role of social capital and trust in economic development and community economic development processes. Exploring differences in conceptions of social capital, such as Putnam’s reliance on dense networks or Granovetter’s work on weak ties could lend insight into how these processes are
implemented. In addition, one could explore the literature on development dispute resolution regarding involving diverse stakeholders in a complex process, such as Forester’s and Innes’s work on theory and micropolitics of such processes, or Susskind’s and Goldschalk’s work on facilitating such processes.

Related to the idea of social capital, one could apply the case of arts-based industries to the literature on interfirm collaboration. Rosenfeld and Bosworth define the interfirm network as involving “a form of associative behavior among firms that helps expand their markets, increase their value-added or productivity, stimulate learning and improve their long-term market position.” Looking at different forms of this type of network, as practiced between arts organizations, artists, and other entities could lead to further insight for cooperative behavior.

Finally, these ideas have implications for recognizing and understanding the importance and role of intermediary organizations in community economic development. One could further apply the concept of networks to trace economic interactions and social processes, and to situate the role of intermediaries more specifically, which could add to qualitative data about the role of intermediary organizations in development. In tracing

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economic networks, one could use the concept of supply chains or production networks as applied to the creative industries. For example, Pratt explicitly links the arts and the idea of production chains in his Cultural Information Production System (CIPS). In addition, as referenced in chapter two, one could trace social networks using surveys or tracing overlapping board membership, an approach called “interlocking directorates” and then using a network mapping software to help visualize these networks.

This study raises many further questions. For example, how are ideas about arts-based economic development seen in relation to other economic development strategies in Chatham? How have these actors negotiated other collaborative projects in the past? Can we trace a historical change in economic development strategies, and could we correlate that with changes in actor interactions? How can we more specifically characterize these relationships, through qualitative and quantitative methods, so that we may better understand planning process and specifically arts-based planning? Are there other factors that might influence these kinds of strategies, or present challenges? And finally, if the goal of community economic development is to benefit everyone in a community, under what conditions can arts-based activities effectively accomplish this?

The case study presented here represents a unique contribution to the growing body of literature that addresses the implementation of arts-based economic development


policy. The value of this study lies in its exploration of opinions and preferences for this type of planning policy without its being already integrated into an overall economic development strategy in this location. While “success stories” are important, we also need to reflect on possible challenges and obstacles to implementation when attempting innovative policy actions. It is my hope that this case study will both provide valuable information for those interested in arts and economic development policy and contribute to a growing inquiry into building effective partnerships for sustainable, asset-based community economic development.
Bibliography


Appendix A

Document 1: Interview Questions

Questions for economic development officials and arts-support organizations:

- How would you characterize your job in terms of local arts and/or economic development activities?
- What is your understanding of the term “economic development”?
- What is your understanding of “the arts”?
- What do you think the role of economic development should be in this community?
- What do you think the role of the arts should be in this community?
- How do you think the arts fit into local economic development strategies here in Chatham?
- How could the arts fit into local economic development strategies?
- Do you see people in the arts community involved in economic development activities?
- Do you see people in the economic development community involved in arts-related activities?
- How much do you know about Chatham Arts? To your knowledge, has Chatham Arts tried to connect artists with local economic development actors? What about other arts-support organizations?
- Are there any situations where you could see people from the arts and economic development communities working together?
- Do you see any value in this kind of exchange? If so, could you give me some examples of benefits?
- What issues do you think are important that have not been addressed so far?

Questions for artists:

- What is your understanding of the term “economic development”?
- What is your understanding of “the arts”?
- What do you think the role of economic development should be in this community?
- What do you think the role of the arts should be in this community?
- In your opinion, is there a role for economic development in the arts?
- Are there any situations where you could see people from the arts and economic development communities working together?
- Under what conditions would you be open to this kind of exchange?
- Are there examples you could give me where you think this exchange would benefit you or others in the arts community?
- How much do you know about Chatham Arts?
- As far as you know, what are Chatham Arts’ major activities right now? Are you involved in any of their activities, and if so, how?
- What kind of role does Chatham Arts play in this community?
- Do you see Chatham Arts playing a role in connecting artists to economic development actors here?
- Are other organizations connecting artists to economic development actors here?
What do you think are the biggest challenges for you as an artist?
What people and groups do you work with the most in your arts-related activities?
Are you partnering with any other people or groups to help support the arts? If so, who?
What is the nature of your connection?
Are any organizations helpful in fostering these connections? How so, or how not?
What could an arts-support organization do to help these connections?
What issues do you think are important that have not been addressed so far?

**Document 2: Chatham County Resolution for an Economic Development Incentive Policy**

WHEREAS, the Chatham County Board of Commissioners and the Chatham County Economic Development Corporation feel that it is in the best interest for Chatham County to provide economic development incentives to new and expanding businesses and industries within Chatham County; and;

WHEREAS, economic development incentives may be offered to new and expanding businesses and industries based on project investment and job creation as determined by the Board of County Commissioners and Chatham County Economic Development Corporation; and;

WHEREAS, the Chatham County Board of Commissioners and the Chatham County Economic Development Corporation hereby establish the following Economic Development Incentive Plan: New or expanding businesses or industries may qualify to receive a financial incentive grant based upon the actual value, schedule, and payment of local property taxes for a period of up to five tax years. The County will require the business or industry to “pay in full” annually the total property taxes due. If the business or industry has met specific criteria as outlined in a formal agreement, a portion of the property taxes paid by that business or industry to the County each year for five consecutive tax years would be returned to the industry in the form of a local economic development incentive grant. A business or industry will be defined as any company that engages in manufacturing or processing, warehousing or distribution, data processing, or a central administrative office, telecommunication, research and development, biotechnology, or information technology as those terms were defined in the Standard Industrial Classification Manual issued by the United States Office of Management and Budget. On new projects, a certification by the company would be obtained that without a grant based Chatham County Incentive Policy, the company would not site its project in Chatham County.

<table>
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<th>Number of New Jobs Created</th>
<th>Less than 40</th>
<th>40 but less than 75</th>
<th>75 but less than 100</th>
<th>100 and over</th>
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</thead>
<tbody>
<tr>
<td>$500,000 but less than $2.5 million</td>
<td>50%</td>
<td>55%</td>
<td>60%</td>
<td>65%</td>
</tr>
<tr>
<td>$2.5 million but less than $7.5</td>
<td>55%</td>
<td>65%</td>
<td>70%</td>
<td>75%</td>
</tr>
</tbody>
</table>
WHEREAS, the Chatham County Board of Commissioners and the Chatham County Economic Development Corporation reserves the right to consider each project individually and to adjust the incentive package based on current conditions or circumstances; and;

WHEREAS, the Chatham County Economic Development Corporation will make recommendations to the Chatham County Board of Commissioners at a Public Hearing.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Chatham County, North Carolina, that this Economic Development Incentive Policy may be offered to new and expanding businesses and industries within Chatham County that meet the above qualifications and are willing to sign an incentive agreement, which describes the responsibilities and obligations of all parties.

Adopted this the 20th day of January, 2004.

Thomas J. Emerson, Chairman

[Source: Chatham County Economic Development Corporation website “County Incentives” http://www.chathamedc.org/incentives/chatham.shtml]

**Document 3: State Incentives to Qualifying Businesses**

**William S. Lee tax credits and subsequent acts:** This legislation, enacted in 1996 and amended in 1998, provides tax credits that may be taken against state income, franchise, or gross premiums tax burdens. These credits for job creation, investment, worker training, and research and development are available in all 100 counties and based upon a county's level of economic distress.

**Industrial Revenue Bonds:** Industrial Revenue Bonds (IRBs) or Industrial Development Bonds may be used by companies engaged in some type of manufacturing for the acquisition of real estate, facility construction, and/or equipment purchase. IRBs fall under three issuance types: Tax Exempt, Taxable, and Pollution Control/Solid Waste Disposal Bonds. Regulations governing bond issuance are a combination of federal regulations and North Carolina statutes. The amount each state may issue annually is designated by population.

**North Carolina Small Cities Community Development Block Grant Program:** These grants may be obtained by local governments (municipal and county) to be used for projects involving a specific business that will create new jobs. With a participating bank, loans may be made to private businesses to fund items such as machinery and equipment, property acquisition, or construction. Assisted project activities must benefit persons (60%
or more) who were previously (most recent 12 months) in a low or moderate family income status.

Industrial Development Fund: The Industrial Development Fund (IDF) assists municipal or county governments with financing for industries eligible through the William S. Lee Act in areas of the State designated as Tier I, II, and III areas. The amount funded depends on the number of new, full-time jobs created and may be used by local units of government for infrastructure improvement (in the form of grants) or for building renovation and equipment (in the form of loans). The fund may not be used for acquiring land or buildings or for constructing new facilities.

One North Carolina Fund: The One North Carolina Fund may provide financial assistance to those businesses or industries deemed by the Governor to be vital to a healthy and growing State economy and are making significant efforts to expand in North Carolina. The fund is a competitive fund and the location or expansion must be in competition with another location outside of North Carolina. Criteria for the program is available through the NC Department of Commerce Finance Center.

Job Development Investment Grant: This discretionary incentive may provide sustained annual grants to new and expanding business measured against a percentage of withholding taxes paid by new employees. The program is competitive and the Economic Investment Committee, which oversees it can award up to 15 grants in a calendar year. Contact the NC Department of Commerce Finance Center for the detailed criteria.

Industrial Access/Road Access Fund: administered by the Department of Transportation, this program provides funds for the construction of roads to provide access to new or expanded industrial facilities.

Rail Industrial Access Program: Provides grant funding to aid in financing the cost of constructing or rehabilitating railroad access tracks required by a new or expanded industry which will result in a significant number of new jobs or capital investment.

[Source: Chatham County Economic Development Corporation website “State Incentives” http://www.chathamedc.org/incentives/state.shtml]
Appendix B

Figure 1: North Carolina state map


Figure 2: Triangle Regional Partnership Map

Source: Research Triangle Regional Partnership, Data Center, Location, “Region/Counties Map” [http://www.csupport.net/rtrp/data%20center/location/regionalmap.php](http://www.csupport.net/rtrp/data%20center/location/regionalmap.php)
Figure 3: Chatham County Map

Source: NC Department of Commerce, Economic Development Information System, County Profiles (Chatham County), http://cmedis.commerce.state.nc.us/countyprofiles/profile.cfm

Figure 4: Chatham County Map showing tourist attractions

Figure 5: Chatham County Governance Chart

Source: Chatham County website “About, Organizational Chart”
http://www.co.chatham.nc.us/AboutChathamCounty/Organizational%20Chart.htm
Figure 6: Map of Northeast Chatham County and proposed developments, January 2004

Figure 7: Rural landscape at Rainbow Organic Farm, Chatham County

Source: Chatham County Center North Carolina Cooperative Extension Growing Small Farms website “Rainbow Organic Farm” http://www.ces.ncsu.edu/chatham/ag/SustAg/rainbow.html

Figure 8: Owner Cathy Jones and crew at Perry-winkle Farm, Chatham County

Source: Chatham County Center North Carolina Cooperative Extension Growing Small Farms website “Perry-winkle Farm” http://www.ces.ncsu.edu/chatham/ag/SustAg/perrywinkle.html
Figures 9-12: Work by Chatham County Artists (clockwise, starting from upper left: metal sculpture by Ruffin Hobbs; clay jar by Mark Hewitt; painting by Michael Mosca; luna moth photography by Juan Pons

Figures 13-15: Downtown Pittsboro, Looking down Main Street toward the courthouse, the Chatham Arts Main Street gallery, and Main Street stores


Figures 16-17: Clyde Jones (Chatham County artist) at his namesake festival, Clydefest; musician Mark Dillon performing at the Pittsboro street fair.

Source: Chatham Arts website http://www.chathamarts.org

Figure 18: Studio Tour Map, Chatham County 2004

Source: Chatham Studio Tour website, “2004 Map”
http://www.chathamstudiotour.com/2004site/map/map.html
Figures 19-21: North Carolina Arts Incubator, downtown Siler City (gallery and pottery studio), Chatham County, and samples of artwork by member artists


Figure 22: Images from the Shakori Hills Grassroots Music Festival, 2004

Figure 23: Chart, relationships between groups

Key to chart

<table>
<thead>
<tr>
<th>Large box</th>
<th>Group or organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small box</td>
<td>Nature of connection, what large box with corresponding color receives from another group as connected by arrows</td>
</tr>
</tbody>
</table>

Solid arrow = important link
Dashed arrow = less important or unknown link

Note: some boxes are shared between groups; also, some have a suspected but unknown connection, and so are absent small boxes. As noted elsewhere, this chart is helpful as a thought experiment, and was not derived through empirical methods, but represents the author's best interpretation of the situation. Any omissions or misinterpretations are my own.