

**DRAFT FINAL REPORT**  
**MARKET AND ECONOMIC FEASIBILITY**  
**ASPECTS**  
**OF THE REVITALIZATION OF THE**  
**FRENCH BROAD RIVERWAY**  
**ASHEVILLE, NORTH CAROLINA**

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**I. INTRODUCTION**

In 2002, the Asheville area, acting through the regional organization, RiverLink, Inc. launched a public planning process to determine the ingredients of a development program for the French Broad River’ waterfront. The planning process aims to re-connect the river and its land frontage to the adjoining neighborhoods and to capitalize upon the properties by constructing a sensitive new riverfront parkway/transportation system. ZHA’s role is to investigate the regional economy and to propose new or renewed uses for the riverfront that would be supported in the regional marketplace. Ideally, these elements would result in the creation of jobs as well as the improvement of the natural and man-made environments. These findings would be set within the framework of a broader consultancy effort to define riverfront planning, business development, renovation and re-use of historic structures, and water quality and environmental enhancement.

The watershed is often overlooked due to extreme topographic differentials between the riverbed and the uplands of the more urbanized areas. The watershed also, in an economic sense, has been blessed by *benign community neglect* over the last 30 years. This passage of previous development cycles have viewed the existing flood-plain areas,

the existing railroad tracks, and lack of cross-town traffic facilities, and other land conditions, as mostly an unfavorable set of conditions for development and growth. Now, however, the French Broad River Valley is being re-examined. As Wilma Dykeman, a local author stated in her book *The French Broad*: “a region of life, with all the richness and paradox of life. Water, forests, plants, animals, people, thronging here in rare and wonderful variety.” The riverbank and its stream are viewed by many as a setting for new economic development, recognizing the river as an opportunity for commercial tourism and recreation. In many ways the river bottom lands offer a means to attract new growth that is unachievable in more standard urban locations.

The area included in this Study is the Asheville’s urban riverfront along the French Broad River in the central area of the City of Asheville. The French Broad is not a flood-controlled waterway. In the urban section, the river is broad and shallow as it

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flows through steep mountain bluffs along the western banks. This riverway includes several historical buildings and significant industrial buildings still making, in many cases, a valued contribution to the economy. A substantial part of this property, however, lies within the 100-year floodplain and some sensitive wetlands are immediately adjacent to the Jean Webb Park. No known endangered animal species are known to reside in the study area.

The river was once a home for a variety of small manufacturing, recycling, and warehousing uses. A working mainline of rail extends the length of the river valley, and the riverfront area includes a series of bridges of local, state and federal roads that carry thousands of tourists, trucks, and commuters from downtown Asheville to West Asheville. Many local folks barely recognize the existence of the river and have little idea how to access it, or tap into its emerging recreational usage. Much can and is being done to reverse this image and reset the riverfront as a strong economic stimulant to the region. The assignment for ZHA, Inc. was to become knowledgeable of the local and regional economy and to explore its aspects as a means of demonstrating possible new development opportunities tied to recreation and the river usage. This firm is working as a subcontractor to the urban design firm of **Urban Design Associates** of Pittsburgh, a noted firm retained by RiverLink to development a workable comprehensive land use program for the river and its land attributes along its shore and plains.

Contributing to this endeavor, ZHA, Inc. was charged to:

1. Determine the current perceptions and issues, the strengths and weakness of the waterfront, and any likely economic vision(s) for its future by conducting interviews and research.
2. Present preliminary findings at an initial design charrette, solicit comments as to their appropriateness, and identify any aspect that needed further exploration, correction, or expansion of research.
3. Assess and recommend a series of appropriate reuses from a market perspective of the properties owned by RiverLink and others, and to assess the physical or other limitations in a marketing sense to achieve these aspirations of mixed-use with higher densities.
4. Assess the implications of the institutions of higher learning and regional health facilities as they might contribute to the reuse of the French Broad

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watershed, interviewing key stakeholders directly and assist the UDA Team in handling the environmental aspects of developing within the floodplain areas, both within the tracts held by the RiverLink and other areas.

5. Propose a series of reuses and provide a measurable scale of these uses in terms of size, amounts, and other economic measurements assisting in devising a preferred reuse comprehensive plan for the watershed areas identified for urban redevelopment. Also aid in developing a workable phasing plan and the adoption of initial action plan projects, as appropriate.

Our research and findings are contained in this Final Report which should be considered as an integral part of UDA's comprehensive plan and program.

#### A. CLOSE-IN ECONOMIC DEVELOPMENT CONTENT

Neighborhoods closest to the urban riverfront include West-End/Clingman Avenue, a late 19<sup>th</sup> and early 20<sup>th</sup> century historic neighborhood undergoing a building revival that includes a mixed income, higher density housing mix. Another important area is West Asheville, across the river from West-End/Clingman. This area includes many older homes.

Despite the fact that the urban riverfront is just a mile from Downtown, river access is difficult no matter your mode of transportation mostly due to severe topographic land features. Over the past few years, vehicular salvage yards, tanneries, sand dredging operations, and the remnants of burnt out cotton mills have started to give way to an evolving mixture of greenway and park development, artist studios, entertainment venues and boat rental facilities.

#### B. NEW INITIATIVES

Several important new initiatives in the Riverfront are occurring, as described below:

- Park Development - RiverLink, Inc. and the City of Asheville are developing several greenway projects as part of the urban riverway system. RiverLink has donated a 40-acre parcel to the City, east of the urban lands, along Amboy Road, as a recreational site. Contained in this park and greenway, is Leather's playground, volleyball and basketball courts, lawn bowling, soccer

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and baseball fields. In addition, to the east lies a parcel known as the Amboy Road Riverfront Greenway, a continuation of the French Broad Greenway that was established in 1995. French Broad River Park and Greenway has been developed as the demonstration greenway project for the watershed. Design, scale, amenities, building and landscape materials have all been chosen to reflect the uniqueness of the Asheville riverfront experience.

This design process for developing the urban riverfront reflects and reinforces this focus. RiverLink's Open Space Design Guidelines have been adopted as part of the City's zoning code and been used to guide riverfront greenway development.

- RiverLink Owned Properties - RiverLink owns three of the most strategically located properties within the urban riverfront. It owns and operates the Day's Tobacco and Storage Warehouse properties (an 18-acre parcel) containing over 500,000 square feet of building area—some buildings are likely recyclable and most are scheduled for demolition. Included in these properties is the Warehouse Studio, a 9,000 square foot building, that has

been renovated and is being used as RiverLink's offices as well as a location for seven artist's studios. Also, RiverLink owns the historical Asheville Cotton Mill, a 2.8 acre site now primarily vacant as a result of a 1995 fire set by an arsonist. <sup>1</sup>

<sup>1</sup> Materials mostly contained in RiverLink's Request for Proposal

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## **II. POPULATION AND DEMOGRAPHIC TRENDS AFFECTING ASHEVILLE'S ECONOMY**

### **A. POPULATION AND HOUSEHOLDS**

The State of North Carolina was one of the fastest growing states in the United States in the past decade. From 1990 to 2000, the State's population increased by 21.4 percent, compared to the nation's growth rate in the period of 13.1 percent. Buncombe County, within which Asheville is situated, also outpaced the nation's growth rate as it increased in population by 18.3 percent -- from 174,821 to 206,330. The City of Asheville, with limited land available for growth, grew by less than 3.7 percent -- from 66,428 to 68,889, between 1990 and 2000. (See Table 1.)

POPULATION 1990 - 2000 Area 1990 2000 % Change Asheville 61,607 68,889 3.7 Buncombe Co. 174,482 206,330 18.3 North Carolina 6,628,637 8,049,313 21.4 United States 248,709,873 281,421,906 13.1 Source: U.S. Census; ZHA, Inc. 2008 \Households City County TABLE 1

Perhaps the most striking data one notes when looking at 2000 Census population statistics for North Carolina, Buncombe County, and Asheville is the breakdown of the population by age. While the State of North Carolina's median age is identical to the nation's median age (35.3 years), median age numbers for Buncombe County and Asheville are notably higher (38.9 and 39.2, respectively).

Much of this aging of the population appears to have occurred between 1980 and 2000. What is distinctive about the growth in age segments in the most recent decade is not the growth in senior or typical retired age population (60 and up), but rather the growth both in numbers and in percentage of the total of the somewhat younger cohorts. These segments of the population could still be in their active working years, though some may be early retirees. Many in this group, who are between the ages of 45 and 59, would fit the definition of "empty nesters." (See Table 2.)

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AGE OF POPULATION 1990 % of Total 2000 % of Total Total 174,821 206,330 25-44 54.4% 53.1% 60,506 29.3% 45-54 19,564 11.2% 30,644 14.9% 55-59 8,279 4.7% 11,272 5.5% 60-64 8,948 5.1% 9,248 4.5% 65-74 16,079 9.2% 16,397 7.9% 75-84 9,185 5.3% 11,361 5.5% 85+ 2,956 1.7% 4,018 1.9% 1990 % of Total 2000 % of Total Total 616,076 889,254 18.4% 11.2% 19.9% 14.9% 4.7% 5.5% 5.1% 4.5% 9.2% 7.9% 5.3% 5.5% 1.7% 1.9% 1990 % of Total 2000 % of Total Total 616,076 889,254 18.4% 11.2% 19.9% 14.9% 4.7% 5.5% 5.1% 4.5% 9.2% 7.9% 5.3% 5.5% 1.7% 1.9% Source: U.S. Census; ZHA, Inc. 2008 \Households City County City of Asheville Buncombe County TABLE 2 BUNCOMBE COUNTY AND CITY OF ASHEVILLE

While it is true that the raw numbers in all age segments increased in the ten years—not surprising given the high percentage of overall growth in the County particularly—the increases and percentages of the total population shifted rather dramatically in the 45 to 54 and 55 to 59 cohorts. Between 1990 and 2000, in Buncombe County, the number of 45 to 54 year olds increased from 19,564 (11.2 percent of total population) to 30,644 (14.9 percent of population). In the same period, in Buncombe County, the

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number of 55 to 59 year olds increased from 8,279 (4.7 percent of the total population) to 11,272 (5.5 percent of the total population).

In Asheville, the base numbers are smaller but the changes are no less significant. Between 1990 and 2000, in Asheville, the number of 45 to 54 year olds increased from 6,035 (9.8 percent of the population) to 9,653 (14.0 percent of the population). The number of 55 to 59 year olds increased from 2,807 (4.6 percent of the total population) to 3,365 (4.9 percent of the population).

At the same time, Table 2 shows that the number of 45 to 59 year olds has increased significantly in the City and County, as well as reflecting growth in typical retirement age categories as relatively flat, though not declining. The growth numbers in these segments actually serve to debunk the notion that the Asheville region is a retirement Mecca in the usual sense. For example, in Buncombe County, the number of 60 to 64 year olds increased slightly between 1990 and 2000, from 8,948 to 9,248, but the percentage of this segment of the overall population decreased significantly, from 5.1 percent to 4.5 percent. In the 65 to 74 year old grouping, in the County, the raw numbers increased slightly from 16,079 to 16,397 but the percentages of the total population changed dramatically in the period. In 1990, 65 to 74 year olds made up 9.2 percent of the population; by 2000, the segment made up only 7.9 percent of the population.

In Asheville, the actual raw numbers for the 60 to 64 and 65 to 74 age cohorts decreased in the past decade. For each of these cohorts, the percentages of the total population declined by more than two points.

Household trends in Buncombe and Asheville are in sync with the population trends. As is the case nearly everywhere in the United States, as the average household size is growing smaller, the number of households is increasing exponentially to any increase in population.

In Buncombe County the 18.3 percent growth in overall population translates to nearly 15,000 more households—from 70,802 households in 1990 to 85,776 by 2000. (See Table 3.) While every type of household increased during the past ten years in Buncombe County, the types of households that grew most significantly were non-family households. (Non-family means that no two members of the household are related by marriage, blood or legal adoption.) Non-family households increased by 40.3 percent in Buncombe County in the past decade, from 21,467 to 30,115, while family households only increased by 12.8 percent, from 49,335 to 55,661.

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TABLE 3HOUSEHOLDSBUNCOMBE COUNTY, CITY OF ASHEVILLE, STATE OF NORTH CAROLINA

<i>Buncombe County</i> 19902000	Total	HH70,802	85,776	21.1%	
	Family	HH49,335	55,661	12.8%	
	Married Couple family	HH39,637	43,280	9.2%	
	Other Family, Male	HH0	0	0.0%	
	Other Family, Female	HH7,684	9,272	2.0%	
	Non-Family	HH21,467	30,115	40.3%	
	HHer living alone	18,868	24,783	33.1%	
	HHer 65 and over	8,174	9,093	11.2%	
	Persons living in HHs	1,697	1,300	2.9%	
<i>City of Asheville</i> 19902000	Change '90-'00	Total	HH27,027	30,690	13.6%
	Family	HH16,218	16,737	3.2%	
	Married Couple family	HH11,717	11,692	-0.2%	
	Other Family, Male	HH742	0	0.0%	
	Other Family, Female	HH3,759	3,989	6.1%	
	Non-Family	HH10,809	13,953	29.1%	
	HHer living alone	9,511	11,297	18.8%	
	HHer 65 and over	4,233	4,247	0.3%	
	Persons living in HHs	593	322	19.2%	
	Persons per HH	2.19	2.14	-2.3%	
<i>State of North Carolina</i> 19902000	Total	HH251,702	631,320	132.4%	
	Family	HH181,205	321,588	69.1%	
	Married Couple family	HH142,420	164,534	15.5%	
	Other Family, Male	HH7,797	10	0.1%	
	Other Family, Female	HH30,987	63,899	72.9%	
	Non-Family	HH70,497	373,144	38.0%	
	HHer living alone	59,695	97,952	71.3%	
	HHer 65 and over	22,638	27,014	19.3%	
	Persons living in HHs	6,404	1,670	25.4%	
	Persons per HH	2.54	2.49	-2.0%	

Source: US Census; ZHA, Inc., 2008; Households City County Change '90-'00 Change '90-'00

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In Asheville, the household numbers look a bit different from the County as a whole. The total number of households in Asheville increased by a smaller percentage than in Buncombe County (3,663 or 13.6 percent). Non-family households also increased dramatically in the City, increasing by 3,144 or 29.1 percent. Family households increased only slightly, by 519 or 3.2 percent. Most striking about the City numbers is that traditional families headed by married couples, identified as “married couple family households,” decreased slightly (by 0.2 percent) during the decade.

As noted above, one result of increasing households and a general decline in the size of traditional families is that households are getting smaller. What is noteworthy about household size in the Asheville area, is that households, on the average, are considerably smaller in this area than they are in the State of North Carolina (2.49 persons in 2000) or the United States (2.59 persons). The average household size in Buncombe County in 2000 was 2.33 persons, down from 2.4 in 1990. The average household size in Asheville in 2000 was 2.14 persons, down from 2.19 in 1990.

**B. INCOME AND SPENDING POWER**

The best indicator of the economic condition of an area’s population is income. The spread of income per household in the Asheville area is notably different—and generally not as healthy—as the State of North Carolina as a whole. While the State had a median household income of \$39,184 in 1999 (the national median figure is \$41,994), Buncombe County and Asheville’s figures are \$36,666 and \$32,772, respectively. (See Table 4.)

TABLE 4 MEDIAN HOUSEHOLD INCOME ASHEVILLE, BUNCOMBE COUNTY, NORTH CAROLINA 1989 1999 % Change

Asheville	\$22,276	\$32,772	47.1%	Buncombe	\$25,898	\$36,666	41.6%	North Carolina	\$26,694	\$39,184	46.8%
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Source: U.S. Census; ZHA, Inc. 2008 \Income

-10- **DRAFT** As shown in Table 5, Buncombe County and Asheville have a greater

percentage of their respective populations in lower ranges of income and fewer in the higher ranges than does the State as a whole. For example, in Buncombe County, 32.8 percent of the households have annual incomes in the three lowest brackets—less than \$10,000, \$10,001 to \$14,999 and \$15,000 to \$24,999. In Asheville, 38.4 percent of households have incomes in these three brackets. At the same time, the State’s numbers in these lowest segments amounted to 30.7 percent of the population.

HOUSEHOLD INCOME SELECTED AREAS (1999) Asheville Buncombe County North Carolina

Under \$25,000	38.4%	32.8%	30.7%	\$25,000 to \$99,999	54.6%	59.3%	59.9%	\$100,000 and Over	5.9%	7.9%	9.4%
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Source: 2000 US Census, ZHA Inc. 2008 / Demographics / Census HH Income % Percentage of Total Households TABLE 5

On the other hand, the percentages of residents of Buncombe County and Asheville with incomes in three highest brackets -- \$100,000 and up -- amount to just 7.9 percent and 6.9 percent, respectively. In North Carolina as a whole, 9.4 percent of the population has incomes of \$100,000 or more in the 2000 Census.

Income trends, between 1990 and 2000, show that while the State as a whole and Asheville had similar income growth trends, 46.8 percent and 47.1 percent, respectively, Buncombe County’s income growth figure was significantly lower, 41.6 percent. (A look at the employment picture in the next section will help to clarify why this has occurred.) Looking further into these numbers, though it appears that Asheville’s income growth is significant, it should be noted that the 1990 base from which the percentage of growth is drawn was by far the lowest income level of the three. In the 1990 Census, median household income (for 1989) in Asheville is reported as \$22,276, compared to \$25,898 in the County and \$26,694 in the State.

Applying the income levels to spending power shows that in typical households there may be less disposable income left after covering housing expenses, typically the largest expense for a household, in Buncombe County and Asheville versus the State. According to the 2000 Census, the amount of monthly owner costs as a percentage of

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household income is higher in Buncombe County and Asheville than in the State as a whole. While 20.7 percent of the State's homeowners expend more than 30.0 percent of their income on their homes, 21.0 percent and 23.0 percent of Buncombe and Asheville residents expend 30.0 percent or more of their income on their homes. (See Table 6.)

Number	Percent	Number	Percent	Number	Percent	Less than 15.0
5,515	37.2%	16,882	39.4%	609,586	37.7%	15.0 to 19.9
2,641	17.8%	7,263	17.0%	285,718	17.7%	20.0 to 24.9
1,934	13.0%	5,640	13.2%	222,935	13.8%	25.0 to 29.9
1,243	8.4%	3,703	8.6%	147,582	9.1%	30.0 to 34.9
867	5.8%	2,458	5.7%	92,183	5.7%	35.0 Percent or more

Source: 2000 US Census, ZHA Inc. 2008/Demographics/Owner Costs & HH Income

**TABLE 6 SELECTED MONTHLY OWNER COSTS Asheville Buncombe County North Carolina AS A PERCENTAGE OF HOUSEHOLD INCOME SELECTED AREAS**

A comparison of average home sales prices (in 2001) versus average wages in Buncombe County, four other urbanized areas in North Carolina and one in South Carolina, shows that Asheville has the lowest percentage of median household income to average sales price in the group. (See Table 7.) In the Asheville area, the median household income (Census 2000) is only 21.6 percent of the average home price. In nearby Hickory and Greenville, South Carolina home buyers dollars definitely go further. In Hickory, the median household income is 31.3 percent of the average home sales price, in Greenville, South Carolina, the income is 31.0 percent of the average home sales price.

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**TABLE 7 AVERAGE HOME SALES PRICES VERSUS MEDIAN HOUSEHOLD INCOME IN SELECTED COMMUNITIES**

Average Income	% Location	Household Income	Home Price of Sales
Price Asheville Area \$36,666	\$169,737	21.6%	Hickory NC \$40,536
\$129,595	31.3%	Charlotte NC \$50,579	\$181,710
27.8%	Winston-Salem NC \$42,097	\$153,957	27.3%
Rocky Mount NC \$30,983	\$120,934	25.6%	Greenville SC \$38,458
\$120,500	31.9%	Source: U.S. Census; ZHA, Inc. 2008/Income v Sales Price Median	

The amount a renter pays for housing as a percentage of household income also convincingly demonstrates the more limited spending power in Buncombe County and Asheville versus the State. In the State as a whole, 33.4 percent of renter households pay 30.0 percent or more of their annual income on rent. In Buncombe County, 35.0 percent of renters pay 30.0 percent or more of their annual income on rent and in Asheville that same number climbs to 40.5 percent. (See Table 8.)

Number	Percent	Number	Percent	Number	Percent	Less than 15.0
2,034	15.2%	4,227	16.8%	182,032	19.3%	15.0 to 19.9
1,848	13.8%	3,525	14.0%	137,187	14.5%	20.0 to 24.9
1,653	12.3%	3,180	12.7%	119,406	12.6%	25.0 to 29.9
1,492	11.1%	2,817	11.2%	90,607	9.6%	30.0 to 34.9
942	7.0%	1,516	6.0%	62,903	6.7%	35.0 Percent or more

Source: 2000 US Census, ZHA Inc./Demographics/Gross Rent & HH Income

**TABLE 8 GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME SELECTED AREAS (1999) Asheville Buncombe County North Carolina**

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**C. EMPLOYMENT PROFILES AND IMPLICATIONS**

Like most regions in the country, the Asheville area has been shifting away from a manufacturing and resource-based economy to a service-based economy. While economies that still have most of their employment, by industry or occupation, in manufacturing are vulnerable now as traditional production is shifting overseas in search of lower wages, the type of services jobs that are replacing manufacturing jobs is a key indicator for the long term health of an area.

While most of the new jobs being created in the Asheville area, in North Carolina or the nation as a whole, are services jobs, this is a broad categorization that can be broken down in several ways. The higher paying end of the services sector include sales and office occupations, the lower paying end include retail and wholesale sales. In the middle are industry groupings like educational, health and social services.

The 2000 Census data for employment by occupation and by industry show a mixed picture economically for the Asheville area, particularly as it compares to North Carolina as a whole. (See Tables 9 and 10.) While the occupational statistics reveal there are more employed in the services occupations, as a percentage of the whole in both Buncombe County and Asheville than in the State, the percentage of those employed in retail trade are higher for Asheville and Buncombe. At the same time the percentage of service employees in the “finance, insurance, real estate and rental and leasing” sector, is lower for both Buncombe County and Asheville than for the State as a whole. These jobs, which are typically “back-office” and processing related are higher paying than most retail positions.

At the same time the percentage of service employees in the “finance, insurance, real estate and rental and leasing” sector is lower for both Buncombe County and Asheville than for the State as a whole. These jobs, which are typically “back-office” and processing related, are higher paying than most retail positions.

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Number	Percent	Number	Percent	Number	Percent	Agriculture, Forestry, Mining	1710.5%	9370.9%	61,185	1.6%	Construction	2,176	6.6%	7,928	7.9%	312,038	8.2%	Manufacturing	4,178	12.8%	16,671	16.5%	755,252	19.7%	Wholesale Trade	1,122	3.4%	3,894	3.9%	131,330	3.4%	Retail Trade	4,208	12.8%	12,781	12.7%	439,868	11.5%	Transportation & Warehousing	955	2.9%	3,706	3.7%	176,412	4.6%	Information	924	2.8%	2,115	2.1%	89,797	2.3%	FIRE	1,472	4.5%	4,607	4.6%	231,222	6.0%	Professional & Management	2,722	8.3%	7,269	7.2%	296,075	7.7%	Educational, Health & Social Services	7,903	24.1%	22,930	22.7%	733,440	19.2%	Arts, Entertainment & Food Services	4,078	12.4%	9,621	9.5%	265,585	6.9%	Other Services	1,862	5.7%	5,223	5.2%	176,908	4.6%	Public Administration	986	3.0%	3,242	3.2%	155,629	4.1%
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Source: 2000 US Census, ZHA Inc./Demographics/Census Occupation by Ind

**TABLE 9 OCCUPATION BY INDUSTRY SELECTED AREAS (1999) Asheville Buncombe County North Carolina**

The bright spot in the employment picture in the Asheville area is the apparent growth in the “educational, health and social services” sector. 2000 Census data reveals that a significantly higher portion of the Asheville area population works in this sector (which has higher than average annual wages) than the same sector in the State as a whole. The percentages of total employment in this sector for the State, Buncombe County and Asheville are 19.2 percent, 22.7 percent and 24.1 percent, respectively. In the 2000 Census, 22,930 persons living in Buncombe County are employed in this sector.

Though the sector sounds broad, it is well known and can be documented by Census County Business Patterns data that most of the jobs in this category are in health services. A separate accounting of the health services sector alone indicates there are 12,900 employees in the health services sector alone in Buncombe County. This amounts to 12 percent of all Buncombe County employment. Health services are the largest source of employment growth between 1995 and 2000 in the County with 2,100 net new jobs (20 percent of all net new jobs.)

The average annual wage per employee is \$36,669. This average wage is 32 percent higher than the average annual wage for all employees in the County. According to the 1999 County Business Patterns Survey for Buncombe County, prepared by the U.S. Census, total annual payroll for the health services industry is more than \$530 million, constituting 22.6 percent of the total \$2.3 billion annual payroll for all industry in the County.

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**III. MARKET POTENTIAL FOR APPLICABLE  
REUSES IN THE RIVERWAY**

**A. TRAVELING BUSINESS AND LEISURE/TOURIST INDUSTRY**

In the year 2000 (latest yearly published figures), total domestic U.S. person trips reached about 997.6 million. Travel, a huge business of \$545 billion, is part of the American psyche, tied to technology and infrastructure improvements that have made travel products more affordable. Interestingly, the national trends over the last eight years are somewhat contrary to those being experienced in the Asheville regional area. As for the nation as a whole, the following indices are critical to understanding the aspirations of extending local penetration of this valuable business in Asheville, focusing in part on the French Broad River watershed.

For instance, as shown on the table below, domestic business/pleasure travel rebounded from the recession of the early 1990's and peaked in volume during the 1998-99 period, reaching about 985.5 million trips (excluding foreign travelers in the US). This represents a gain of more than 27.2 million travelers over the 1994-95 figure, or approximately 2.8 percent. In the years 2000 and 2001, however, the volume of business and pleasure trips (defined as one person traveling at least 50 miles one way) dropped by about 3,800,000 person trips, contributing to a loss of about \$68 billion dollars.

ZHA estimated 2001 figures by applying guidelines of the *Travel Industry of America*, and by estimating the impact of the September 11<sup>th</sup> tragedy and the nation's weakened economy, and by understanding that business travel would dip more severely than pleasure trips.

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Year	1994-95	1996-97	1998-99	2000-01	Percent Change
<b>Domestic Pleasure</b>	242.0	242.2	346.2	220.4	-21.6%
<b>Domestic Business</b>	220.0	230.3	229.1	232.2	+12.5%
<b>Sub-Total</b>	<b>636.1</b>	<b>653.1</b>	<b>652.5</b>	<b>643.9</b>	<b>-1.2%</b>
<b>Domestic Business Single Travelers</b>	248.5	239.5	251.2	237.8	-10.7%
<b>Domestic Business &amp; Kids</b>	20.8	20.8	24.7	23.9	-11.4%
<b>Sub-Total</b>	<b>322.2</b>	<b>322.2</b>	<b>322.2</b>	<b>322.2</b>	<b>0.0%</b>
<b>Grand Total</b>	<b>958.3</b>	<b>975.3</b>	<b>974.7</b>	<b>966.1</b>	<b>-1.2%</b>

TABLE 10  
Source: Travel Industry Association of America (TIA), ZHA Inc. \*\* Year 2001 estimated by ZHA, Inc.  
**Travel Volume by Two Year Intervals**  
DOMESTIC TRAVEL CHARACTERISTICS OF US LEISURE AND BUSINESS TRAVEL BETWEEN YEAR 1994 AND YEAR 2001

Some interesting statistics over the last two years are as follows:

- TIA is forecasting a 6.5 percent decrease in business travel and a 3.4 percent drop in pleasure travel in 2001, compared to the same period in 2000. The final figures for years 2000 and 2001 will likely show a decrease in US citizens traveling for domestic pleasure by nearly 7,800,000 person trips over the previous two-year period.

- For the fourth quarter of 2001, air travel is expected to be down 25 percent, and the full-year decline to the magnitude of 9.4 percent is anticipated. Travel nationally by car is expected to be down by 2 percent in the fourth quarter of 2001, and 1.5 percent over the full year.

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- According to TIA, about 453,500 jobs are directly related to travel and tourism. The employment cuts over the last two years are expected to temporarily dislocate about 74,000 of these jobs from the hospitality and related industries.

Some interesting shifting inside the various forms of travel is most evident and important for Asheville to concentrate upon and appreciate. In both business and, more importantly, pleasure tripping, the US family is shifting. A higher percentage of total trips are taken by adults only (two or more) and by adults with children. In fact since 1994, domestic pleasure travel by single parties has fallen by nearly 21,600,000 person trips while the two mentioned categories have a net gain of nearly 29,400,000 person trips. This swing is important to programming within Asheville due to the propensity of the area to market its outdoor activities and museums/historical sites. These two attractions account for the second and third most popular national activities of the visiting patron, other than shopping.

As mentioned above, Asheville seemingly follows the national trends in the propensity of visitations to the region in the last two years, but the losses are less severe. Registration at hotels (occupancy) is often used to measure visitations. Gate counts at various identified and important tourist locations including the Biltmore Estate reflect nearly the same findings for the years 2000 and 2001.

Overall, hotel occupancy dropped in local facilities since 1999 when 57.7 percent of rooms were taken, as shown in the following table. However, an important shift occurred as business and convention delegate visitations dropped as percentage of the hotel stays while tourist visits picked up most of the slack. A very encouraging first quarter 2002 start is noted for the Asheville market.

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1999	2000	2001	2002	January	34.8%	31.1%	32.4%	32.6%	February	39.6%	37.5%	37.1%	40.1%
March	47.7%	48.9%	48.3%	48.4%	April	66.2%	57.8%	55.1%	May	62.2%	58.3%	58.3%	June
68.3%	69.0%	66.3%	July	78.4%	76.7%	73.8%	August	64.6%	65.4%	67.1%	September	64.8%	63.7%
9.5%	October	72.6%	77.3%	75.4%	November	59.4%	58.3%	58.6%	December	50.1%	47.1%	50.	

4% **Total Year** **59.2%** **57.7%** **57.0%** Source: Asheville Chamber of Commerce, ZHA

InC./New Hotel Data **GREATER ASHEVILLE HOTEL AND MOTEL OCCUPANCY BY MONTH (1999 - 2002) TABLE 11**

Business travel in Asheville's market increased sharply in 1998 and 1999 before drifting lower in the last three years by about 1,200,000 persons yearly. This represents a drop of about 3,288 business persons per day for both the years 2000 and 2001 as well as the estimated year 2002. Leisure visitations, on the other hand, continued to grow each year since 1995 including the last three years and reached an estimated volume of 4,650,000 in 2002 (estimate). Other important aspects of the visitation market are summarized as follows:

- Day trippers, both business and leisure, grew in the last eight years by about 155,000 person trips, and now is expected to reach about 3,800,000 for the year 2002. This figure, if achieved, is approximately 1,550,000 greater today than the patronage was in 1995. A

trend to watch is the significant growth over the last four years in this specialized aspect of visitation. Hopefully this will encourage larger numbers to use Asheville as a destination site versus being such day-trippers.

- The important category of overnight stays by business and leisure travelers is estimated to reach 2,650,000 for the year 2002. Contrary to

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national trends, overnight leisure trips actually increased in the last two years. Visitation from this category peaked in 1997 (2,070,000) and then has been around the 2 million level over the last three years. The winter and spring of 2002 has been encouraging in this endeavor so far—and may lead to our estimate for 2002 being exceeded. Ironically, Asheville, being a “drive-to” location, has seen good leisure occupancy numbers at hotels since the September 11<sup>th</sup> tragedy.

Table 12 summarizes these estimates derived from the Asheville Convention and Visitation Bureau data, and forecasts of ZHA, Inc.

	1995	1996	1997	1998	1999	2000	2001	2002	Business	Leisure	Total
Person-Trips(in Millions)	1.281	1.381	1.311	1.581	1.921	1.791	1.801	1.801	3.553	3.223	3.854
Day-Trip	2.252	1.172	1.533	2.233	2.693	2.753	2.773	2.800	2.582	2.532	2.632
Overnight	2.582	2.532	2.632	2.672	2.712	2.632	2.642	2.652	0.580	0.640	0.560
Total	4.834	4.705	4.165	5.304	5.406	5.386	5.416	5.452	0.580	0.640	0.560
Overnight Business	0.580	0.640	0.560	0.610	0.660	0.650	0.640	0.640			
Overnight Leisure	2.001	1.892	1.072	1.062	1.051	1.982	1.002	1.010			

Source: DKS&A Worldwide, Asheville CVB, ZHA Inc./Tourism/Person Trips

ESTIMATED VOLUME OF BUSINESS AND LEISURE PERSON TRIPSGREATER ASHEVILLE AREA (1995 - 2002)

TABLE 12

In light of the demonstrated value of tourism and its close relationship to recreational and environmental restoration, there is a natural link between the aspiration of the RiverLink, Inc. and certain aspects of the mobile public. If one views a comprehensive listing of national trends relating to travel and tourism as a unified industry, then certain new patterns begin to emerge as critical points to capitalize upon. These trends may well support that market demand exists for an enhancement of the French Broad River watershed. New elements could include attractions that will create new jobs, upgrade current employee incomes, and stabilize existing conditions.

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ZHA, Inc. recognizes the following national aspects as vitally important to support additional activities/facilities in the watershed:

1. According to *Adventure Travel Report*, “Adventure travelers are everywhere. One-half of U.S. adults, or 98 million people, have taken an adventure trip within the past five years. This includes 31 million adults who engaged in hard adventure activities like whitewater rafting, scuba diving, and mountain biking. Adventure travelers are more likely to be young, single and employed.”
2. Baby Boomers generate the highest travel volume in the U.S. in recent years (registering more than 245 million trips, more than any other age group). Boomers (35 to 54 years-olds) are more likely to stay in a hotel or hospitality accommodation, travel for

business (34 percent) and to fly (25 percent). Boomers spend more on their trips than other age groups, averaging \$479 per trip, excluding transportation to their destination, according to *Domestic Travel Market Report*.

3. Biking vacationers and people seeking stimulating eco-recreational

locations grew to more than 27 million travelers during the past five years. They rank as the third most popular outdoor vacation activity in America, following only camping and hiking, as measured by *Adventure Travel Report*. People who take biking trips tend to be young and affluent. About half are between the ages of 18 and 34 and one-fourth are from households with income of more than \$75,000 annually.

4. One in five trips in the U.S. (22 percent) includes children under 18, or 125 million trips in total. Almost 87 percent of these trips are seeking leisure engagements, often tied to locations to visit friends or relatives. About 42 percent of this market is overnight trippers with stays in hotels. Popular activities for this group include shopping (36 percent), outdoors activities (22 percent), historical/museum visits (15 percent), and more formal entertainment at theme/amusement parks, according to *Domestic Travel Market Report*.

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5. Ten percent of all domestic U.S. trips include activities that engage in cultural events/festivals, as indicated by *The Historic/Cultural Traveler, 2001 Edition*. Cultural person-trips are more likely than other trippers to commit to extended stays of up to seven nights or longer. Thus, these visitors have higher spending per capita (\$603) than other similar trippers.
6. Cultural and Historic Tourism is one of the most popular sectors of the travel industry, comprising about 212 million person trips, or one in five in the year 2000. This sector also reflects a higher propensity (62 percent) to stay at hotels or other hospitality facilities and to seek out destinations with a wide range of activities. These travelers are also willing to spend a much higher than normal per capita expenditure per traveler (\$631) than others, according to *The Historic/Cultural Traveler's* press releases.
7. A popular activity sought by vacationers is new and interesting festival programming. One-fifth of U.S. adults, about 31 million people, plan their itinerary around such events, or about 31 million U.S. adults. One third of festival-related trippers seek out arts or music festivals and another 22 percent are attracted to ethnic, folk or heritage festivals. State fairs, parades, food festivals, and religious events account for the remaining balance of demand.
8. About 24.7 million adults seek out fitness as the primary activity in programming their travel itinerary. These travelers are more likely

than others to be male (55 percent), younger (39 years average), a college graduate (56 percent), and are typically engaged in a managerial or professional position. Most have children and a higher household income (\$87,000) than other touring groups.

9. Mature Americans, aged 55 years and over, average the longest stays away from home (4.9 nights, excluding day trips) and also comprise the highest shares of the day-tripper market. Over half stay at hotel accommodations and many travel alone or with someone from outside their household. This group is the most sought after sector in the U.S. travel industry due to their growing numbers, financial power and availability of time, according to the publication of *The Mature Traveler*.

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These identified categories represent the bulk of Asheville's potential market for increased tourism. However, trends in hospitality and travel are mixed. Asheville has acknowledged it is losing business travel due to a distressful airline situation (dropping over 58,000 passengers since 1998 -- more than 11 percent), the economic shifts, and other considerations. Day-trippers have been growing over the last three years, and contrary to the national average, the community is holding it own in attracting over-night leisure visitors albeit at a slightly increasing rate. The initial four months of 2002 have shown promise, but its implications are difficult to interpret based on the available information.

Accordingly, ZHA, Inc. developed two development profiles for Asheville to demonstrate the implications and benefits of heavily investing in additional attractions. New programming may include the downtown, specialized professional clusters such as the medical/practitioner field, the inherent attractiveness of the watershed, and other activities. We felt it would be most helpful to attempt to outline for stakeholders the implications between scenarios.

The first alternative considers the current marketing and promotion continuing to derive benefits from the current listing of programming. This scenario is then compared against the implications if a sizable new commitment(s) were universally adopted, merging with the above mentioned seven sectors that are most likely to respond to Asheville's unique charm and attractiveness.

1. Existing Conditions/Circumstances Extended

The Convention and Visitors Bureau of Asheville (CVB), utilizing a portion of the special hotel/motel tax, conducts an aggressive and successful visitor-marketing program. Its dedicated and knowledgeable staff has seemingly optimized the scheduling of programs and facilities within the greater Asheville region. The CVB has demonstrated its effectiveness in the last ten months since September 11<sup>th</sup>, especially over the first four months of 2002 which show encouraging figures when compared to prior years. ZHA projects that if this trend continues, the region can expect to increase its overnight stays per person trip by about 260,000 persons over the next 15 years, with tourist/leisure visitations increasing approximately 230,000 during the same period. (See Table 13 and the Appendix for details.)

Limitation in penetration is likely to cap visitations given the current venue of activities within a one-hour drive of Asheville; however, the 1997 study conducted for

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the Asheville Area Chamber of Commerce and Buncombe County Tourist Development Authority sets forth a clear and workable agenda for additional facilities development, which the group deems essential. These findings are dated by recent events and circumstances that have pointed the need to adopt a zeal and dedication by the entire community unlike anything currently attempted.

In other words, a sense of determination and a commitment of public/private pre-development funding must be secured, regardless of the implications between competing priorities. The next five years are critical if Asheville is to face and render workable solutions to its housing deficiencies, underemployment, and income and other identified adverse conditions.

	Person-Trips(in Millions)										
2003	2005	2007									
2012	2017	Business	1.791	1.781	1.771	1.801	1.82				
Leisure	4.684	4.734	4.774	4.854	91	Total Visits	6.476	6.516	6.546	6.656	6.73
Day-Trip	3.813	3.843	3.853	3.923	3.97	Overnight	2.662	2.672	2.692	2.732	2.76
Total Visits	6.476	6.516	6.546	6.656	6.73	Overnight Business	0.640	0.640	0.650	0.650	0.66
Overnight Leisure	2.022	0.032	0.042	0.072	0.10	Source: ZHA, Inc./Tourism/Overview Alt "A" TABLE					

13PROJECTED TOTAL NUMBER OF PERSON TRIPSWITH CONTINUED PROGRAMMINGGREATER ASHEVILLE AREA (2003 - 2017)

## 2. New Product Development Program

The 1997 consultant report mentioned above, called for the study and development of new tourism products in the Asheville area. Most of these suggestions have continuing merit today—some ideas have even reached fruition including the Grove Park Inn destination spa, renovation of the Grove Arcade in downtown, and the planning for testing whitewater kayaking in the French Broad River. Other facilities remain in pre-development status including the proposed performing arts hall,

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museum offerings displaying the area's history and culture, and an expanded visitor's center (mostly likely to be situated along Interstate 40 or at the Blue Ridge Parkway's exit). New initiatives like preventive medicine and holistic programming and insertion of recreational/sports activities in the waterway represent new possibilities that need exploration and commitment. ZHA has combined these findings for the use of the design team to interpret the findings and aspirations of the stakeholders in the river lands.

The design/programming team (led by UDA) involved with the French Broad River watershed is looking to roll this underutilized land into the full urban fabric through improved transportation ways, recreational attributes, several critical museums/festivals, bikeways, trails, and active water sports. What follows is a listing of potential uses to be included, as warranted, in this assortment.

ZHA, Inc. understands that site restrictions, parking, and the floodplain's limitation toward urbanization might make inclusion of all suggested uses improbable—the key is the combination of enough of these uses to create a critical mass for attracting unique commercial vendors, housing and other contributing economic uses. Among those activities being suggested for evaluation in the coming months are:

- Amateur Sport Facility/Water Sports Center
- Non-Invasive Medical and Holistic Practitioners Complex

- Audubon Habitat Center
- A new Health Adventure Museum
- Artisan Craftworks Display & Live/Work Housing

The above uses are geared to assist resolving the under-employment, ease the affordable housing crisis, and attract new jobs of higher paying nature, along with standard job venues. It is hoped that the new uses will provide the CVB with a new set of tools to market and to bring about a breakthrough in the number of visitations and the duration in overnight stays, and to foster a selective grouping of new regional retailing outlets tied to the installation of new activities. This planning process will develop both physical and functional linkages along the watershed tying the Biltmore Estate, the Blue Ridge Parkway, and the French Broad River's greenways into a single and attractive string of uses.

If the community chooses to invest in these critical planning elements, ZHA believes that overall person visits in Asheville could reach approximately 7,790,000 in -25- **DRAFT**

the next 15 years. This would represent an increase of about 1,320,000 additional person trips or about 20.4 percent. The bulk of the growth will be in the important over-night category, mostly in leisure visits. Other important gains in tourism will be a longer duration of overnight stays, more visitors with higher income profiles, and higher numbers of visitors who are younger adults and youths.

Impact on hotel sales by projected periods and other supporting information is contained in the Appendix.

Person-Trips(in Millions)	2003	2005	2007	2012	2017	Business	1.791	1.791	1.821	1.942	1.11	Leisure	4.684	7.64	8.95	25.68	Total Visits
Trip	3.813	833	863	994	130	Overnight	2.662	722	853	173	66	Total	6.476	556	717	167	790
Visits	6.476	556	717	167	790	Overnight	0.640	650	680	760	88	Overnight	2.022	072	162	412	78
Leisure	2.022	072	162	412	78	Source: ZHA, Inc./Tourism/Overview Alt "B" TABLE											

14PROJECTED TOTAL NUMBER OF PERSON TRIPSWITH NEW FACILITIES DEVELOPMENTGREATER ASHEVILLE AREA (2003 - 2017)

**B. FACILITY DEVELOPMENT PROGRAMMING AND MARKET SUPPORT CONDITIONS**

**1. Western North Carolina Youth Sports Complex (WNCYS)**

In July 1998, the WNCYS commissioned the Sports Management Group (SMG) to conduct a feasibility study of developing a youth sports tournament center. The facility would consist of four gymnasias and related support facilities. The basic findings of the endeavor demonstrated that the facility could be privately-funded and

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would recover its full operating expenses with any surplus designated for youth scholarships. The work involved creating a schematic for the facility, a proposed schedule for development, space requirements and cost recovery analysis. Benefits to the regional youth and the Asheville community were further investigated.

WNCYS is seeking a workable site for this complex at this time, prior to launching a full capitalization drive for funding.

The applied methodology for financial feasibility included:

- Overview and assessment of the participation rate nationally and in the region by youth for the activities offered
- Anticipated support for the tournament facilities through interviews, surveys, discussion with coaches and participants, staff and chairpersons of affiliated regional and national participating teams
- Development of projections for additional regional and national tournaments which could be successfully hosted
- Preliminary space requirements and a design concept for the facility
- Assessment of the capital costs involved and the funding strategies for acquiring private capital for construction based on a prototypical schedule of usage
- Analysis of cost recovery potential against a conceptual design, schedule, and fee schedule, measured against the inherent benefit to the community and the region in additional tourism and economic growth stimulated.

Participation in youth sports is exploding worldwide. A recent national survey conducted by the Sporting Goods Manufacturers Association revealed that basketball and volleyball enjoyed a total participation of about 72 million youths over the age of six. Basketball had seen the strongest growth since 1987 until the addition of 27.5 million “in-line” skaters in 1996. Soccer, the fifth most popular sport with 18.1 million participants, joins the above-mentioned three as adaptable to indoor play. Three decades ago, soccer was outside the American mainstream and youth participation was limited. Soccer is now a true American sport that is being fed by more players, more talent, and more commitment—as well as more immigrants, who bring soccer traditions with them. Since 1987 the number of core players (defined as playing at least 52 days a year)

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has jumped by 87 percent, according to the Sporting Goods Manufacturers’ survey. In addition, there has been tremendous growth in the popularity of martial arts.

All of the above mentioned sports collectively exceed the regional capacity. Adequate indoor facilities for large competitions, and, more importantly, places offering consistent and sufficient playing times for these emerging sports, is lacking. In summary, the market identified by SMG’s study concluded:

- The Amateur Athletic Union (AAU) has over 200,000 boys and girls registered in basketball residing east of the Mississippi. There are 175 registered girl teams in the Carolinas alone, with an even larger number of boy clubs.

- About 3,300 Volleyball players are formally registered in the USAV in the Carolinas. Normally about 55 percent is the ratio between volleyball participation and basketball. With such a large number of regional volleyball players, just finding a place to play this sport is difficult.

- The phenomenal growth of in-line skating, indoor soccer and martial arts has created a shortage of appropriate facilities in which to play, practice and compete. All of these mentioned sports compete with the others for “gym time”.

The feasibility study devotes its technical analysis to understanding the implications of formal programming for hosting competitive events at a centralized location in Asheville, as well as the financial costs and benefits. (ZHA, Inc. suggests that a reader devote time to digest the SMG’s Report fully, and to consider tying these activities to the extension of water sporting along the French Broad River.) In summary, the report envisions conducting about 20 basketball tournaments (with 168- 240 teams annually

participating), about 8 volleyball tournaments with upwards of 146 teams, and indoor soccer with appropriately 72 teams conducting competitive play. Other activities likely would include in-line hockey, martial arts, cheerleading and various sponsored practice camps sessions and events.

The five above-mentioned sports, properly sited and programmed, is thought capable of capturing upward of 45,300 room nights annually (or, the equivalent of a 180-room hotel at 70 percent occupancy), and generating an additional \$11,375,000 (valued at 2001 dollars) in revenue for hotels and motels facilities plus vendor products and eating/entertainment activities within the Asheville region.

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The facility requirements being envisioned now seeks a workable site in Asheville and would require a building of approximately 78,300 square feet of gross space as follows:

Function/Use:	Square Feet	Unit Costs	Adjustment	**Gymnasias	42,000	\$100	
Locker Rooms	8,600	\$125	112.55%	\$1,209,913	Concourse	13,000	\$115
Concessions	1,000	\$120	112.55%	\$135,060	Event Support	4,000	\$105
Adm. Offices	3,500	\$105	112.55%	\$413,621	Back-of-House	6,200	\$80
Total Cost Estimate	78,300	\$117.49		\$9,199,274	/ZHA Data/WNCYC		TABLE

15\*\* Adjusted to 2002 Dollars (3%/yr.cumulative)Source: WNC Sports Youth Complex Report and ZHA, Inc.DEVELOPMENT COST FOR PROPOSED WNC YOUTH SPORTS COMPLEXASHEVILLE, NORTH CAROLINACost FactorsComponent Costs

The following items are needed for a truly first class facility that is capable of accommodating national championship tournaments:

- Four basketball courts, three accommodating 500 spectators, one handling 1,200 with temporary seating for 2,500 seats for national events.
- Six or more volleyball courts superimposed on the basketball courts
- In-line hockey courts (185' X 80") and indoor soccer field (200" X 85')
- Storage for backboard, stanchions, dasher boards, etc.
- Up to 8 locker rooms for national events
- Officials changing rooms and lounge
- Adequate public restrooms and concessions for about 3,000 persons
- Outdoor play space for non-involved siblings and first aid room
- Athletic Training Rooms
- Security/Operations command central space
- Press conference and interview spaces
- Hospitality rooms for private entertainment

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- Administration space for operations, marketing
- "Back-of-the-House" site for maintenance and equipment repair

ZHA, Inc. believes that the proposed WNC Youth Sports Complex is a good addition to the active and passive recreation concepts on and along the French Broad River watershed. A natural location, depending on the highway alignment, might be the RiverLink's 11-acre, tobacco warehouse site as it offers potential for water-related recreational development. The critical planning aspect is site capacity and parking needs of the youth sports complex, and the ability of the UDA Design Team to find an "urban design" solution workable within the floodplain limitations.

The proponents for the WNCYS tend to view the Days Warehouse site as sufficiently large enough to accommodate the planned facility and other uses. Under normal circumstances, this acreage would gracefully serve this use due to its single ownership by RiverLink and its likely relationship to the planned Parkway highway improvement. However, the site is thought too far below the identified floodplain to be cost effectively developed due to the need to be mostly on ground level with sensitive and expensive flooring for competitive sporting purposes. While ZHA feels this is a natural reuse for inclusion in the recreational aspects of the riverlands, the challenge to this planning team is its ability to identify a usable site that fits and is reasonably resistant to flooding. If a secure and sufficient site cannot be identified in the riverway, the use is thought so basic by ZHA to the well-being of Western NC that the community should ensure that another workable location be identified.

Merging the development of the youth sports complex with the entire water sports program will generate an important element to Asheville tourist venues regardless of location. The complex will also help attract a wide range of “first-class” commercial vendors that will carry the crafts of the sporting industry, both the landside forms and, perhaps, waterborne aspects. No specific site area requirements or parking needs are contained in the feasibility study, so shared parking and other co-mingling of site uses are difficult to judge with the current information available.

## 2. Non-Invasive Medical and Holistic Practitioners

Combining medical technology and the human touch, the health services field consists of more than 469,000 establishments nationally. These outlets vary in terms of size, location, staffing, and organizational function. Trends developing in the industry reflect a decided shift to the provision of non-invasive medical techniques and those services more holistically and wellness oriented. Several broad trends are instructive, as follows:

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- Health services is one of the largest and fastest growing industries in the U.S. with more than 11 million jobs including self-employed individuals
- An estimated 21 percent of all new wage and salary positions created in the next 15 years will be in the health-related fields, with non-invasive techniques and practitioners gaining in importance.
- Nearly 50 percent of all growth occupations will be concentrated in health services in some fashion versus the more invasive forms of medical treatment.

Nearly 45 percent of all health-related employment is derived from public and private hospitals which constitute only two percent of the overall service establishments. However, this single important statistic does not demonstrate broad diversity in the balance of employment. More than half of non-hospital health service firms employ fewer than five workers, and these firms are scattered beyond the typical physician/dental offices into a wide range of health practitioners and allied services.

Preventive care or wellness maintenance through heightened attention to diet, exercise and other lifestyle habits, is the best route to reducing health care costs. It now behooves any community to begin to plan and promote wellness as a major industry regardless of the pending health care reforms being discussed. Health care is now being impacted by years of cost containment pressures, unrelenting competition in the insurance field, and continuing consolidation of capacity. Health care will undergo

considerable changes in the next ten years, and smart communities are now working with their institutional care providers (hospitals) to handle these changes with or without national health care reform.

Hospitals today are indicating their growing awareness of the importance of non-invasive medicine and holistic health. In Asheville, the regional hospital complex is looking for opportunities to innovate and become more involved—directly—in these “2000 and Beyond” trends.

Health users are more savvy and selective than in recent years. As empowerment grows, the consumer looks for more efficient and convenient health services, fostering the creation of a new market. Established institutions are now seeing the need to reconsider their basic modus operandi for the first time in decades. New technologies, new partnerships, new mindsets are creating an evolution of collective knowledge toward improving patient care with affordable excellence. Hospitals and its investors

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now know it must reach out and embrace this standard of information and care as the surest road to marketplace success.

This understanding of the demographic realities shows that regional health systems are at a pivotal crossroads. ZHA, Inc. believes the next 15-year period in Asheville could generate new medical related complexes that emphasize non-invasive techniques and the provision of holistic health services. We believe a major opportunity exists within the French Broad River watershed to offer a mixed-use medical center tied with possible housing for its owners/employees. Creativity in placing equity to fund the construction is possible within the framework of the existing institutions and with the administrative guidance of such institutes.

As ZHA investigated the varying aspects of the changing approach in the health-care industry, it became evident that the user market could be split into three categories. These tiers consist of those with income liquidity plus insurance (referred to as Empowered Consumers), those dependent mostly upon conventional groups insurance with little choice of health plans and slim cash liquidity (Worried Consumers), and those outside any formalized medical assistance programming (Excluded Consumers). Approximately 38 percent of U.S. non-farm workers fall into the upper level with the middle category accounting for another 34 percent, according to the *Health and Health Care Report 2010*, and the *Robert Wood Johnson Foundation*.

Asheville’s population is well represented within the “upper tier” group, and thus is highly educated, has a higher income and uses current technology to get information about their health. Nearly 37 percent of Asheville’s citizens have a college degree and over 58 percent have attended some college. These figures match against 29.3 percent for the State and 50 percent of North Carolinians spending some time at a university/college in their career. It is this upper tier of individuals and married couples that will take advantage of the new trends in technology and health related treatment, including using holistic services.

Included in holistic services are the traditional therapeutic massage, facials and body treatments, and energy healing (tai chi, yoga and meditation classes, hands on healing). These new fields that tend to the body, mind, spirit and wellness are beginning to come together with more traditional medical services. The industry reflects signs of merging, or at least co-mingling. Practitioners include chiropractors, diagnostic medical

sonographers, dietitians and nutritionists, home care aides, and physical therapist, to list a few.

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The potential of the holistic health market is huge. In the last ten years up to the year 2000, the medical service industry gained (nationally) about 27.15 percent in expenditure or receipts, with their services gaining about \$193 billion or more than \$19,000,000,000 each year on the average. Expectations point to the gain in the next ten years of another \$271 billion, or nearly 30 percent with another five increment to the year 2015 of an additional \$150 billion.

1990	2000	2010	Total Personal Spending	Percent Increase
4,474.56	257.88	786.53	9.85%	40.41%
710.99	3.91	1,174.92	7.15%	29.98%

Source: Bureau of Economic Analysis, ZHA Inc./Health Care/Personal Spending  
NATIONAL PERSONAL SPENDING (1990, 2000, and Projected 2010) in Billions  
TABLE 16

A breakdown in national health care expenditures indicates these emerging trends, as summarized below and shown in Table 17.

- Expenditures made for **hospital care** is expected to grow by about \$325.2 billion in the period from 2000 to 2010, an increase of about 78.9 percent
- **Physician and clinical services** is projected nationally to expand by about \$273 billion or 95.3 percent
- **Other professional and personal care**, combined, is expected nationally to increase by about \$113.7 billion.

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1990	2000	2010	National Health Expenditures	Percent Increase
696.12	299.52	639.28	6.7%	103.1%
253.94	12.17	373.36	2.3%	78.9%
157.52	286.45	59.48	1.8%	95.3%
18.23	978.21	14.3%	100.5%	

Source: Centers for Medicare & Medicaid Services, ZHA Inc./Health Care/Spending Projection  
PROJECTED NATIONAL HEALTH CARE EXPENDITURES (1990 - 2010) in billions  
TABLE 17

Within this broader context, Asheville's region in the year 2000 reported employment in the three referred categories of approximately 11,662 persons. In the last ten years the gain of nearly 3,820 new employees were distributed as follows:

- Approximately 2,105 newly engaged professionals became involved in the Asheville region mainly in **invasive** medical treatment, logically thought to be mostly at hospital facilities. This represents a ten-year gain of about 45.9 percent.
- **Non-Invasive** medical services grew in the local region at about 1,649 professionals/service persons, representing a gain of about 52.2 percent.
- The volume of practitioners in holistic treatment gained approximately 66 individuals.

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1990	1995	2000	2005	2010	2015	Invasive
4,582	6,027	6,687	7,236	7,639	7,889	Non-Invasive
3,162	4,159	4,811	5,388	5,849	6,155	Holistic

Practitioners: 98128164195222248  
Source: County Business Patterns, Employment

Security Commission of NC, ZHA Inc./Health Care/Employment TOTAL HEALTH CARE EMPLOYMENT BY CATEGORY ASHEVILLE MSA (1990 - 2015) TABLE 18

Expectations for the Asheville area in health related employment, by categories, reflect an overall gain of approximately 2,630 persons over the period to the year 2015. This represents an increase of about 22.6 percent in employment in these fields. Nearly 1,428 professionals or 54.3 percent of this growth will be in the fields of holistic practitioners and non-invasive medical professionals. Applying standard square footage of space per employee derives a net new market in Asheville for about 986,250 square feet of gross building area required for the projection period. Table 19 reflects these projections for the next 15-year period to year 2015.

Net Increase	Supportable Employment	Square Footage	2000	2005	2010	2015
@ 375 sf/emp	Invasive Medical	6,6877,2367,6397,8891,202450,750				
	Non-Invasive Medical	4,8115,3885,8496,1551,344504,000				
	Holistic Practitioners	1641952222488431,500				

Source: County Business Patterns, The Employment Security Commission of NC, ZHA Inc./Health Care/Supportable SF

TABLE 19 PROJECTED SUPPORTABLE SQUARE FOOTAGE BY CATEGORY ASHEVILLE MSA (1990 - 2015) Number of Employees

To acknowledge the impact of non-traditional medical related programming potential, ZHA, Inc. tracked three evolving trends within non-invasive medicine today. These trends, full body scanning, executive care and boutique health care have emerged as new and profitable opportunities. The idea is to offer these services to Asheville

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residents and to market the availability of such clinics nationally. Such advertising will promote business tourism, which will increase the volume of “higher valued” overnight trippers into Asheville.

Full body scanning provides patients with a non-intrusive view of their medical condition, allowing for early detection of many diseases. A professional scanning practice (costing about \$2.5 million) is formed as a business venue and capitalization is raised to purchase a CT Scanner (\$1.5 million). Monthly operating expenses run about \$125,000 for rent, supplies, staff and other costs. Statistics indicate that about 1,000 for-profit, full body-scanning centers have been formed in the U.S. In many ways, this independently sited facility and offices are indicative of those likely to be sought for any French Broad watershed location.

A few examples of “executive care” providers would shed further light on this potential within Asheville. For instance, an executive care unit was created by the Cleveland Clinic to help business executives and their spouses manage their personal health. Enrolled individuals are placed through a battery of tests over a one- or two-day period that is convenient of their busy schedule. These sessions involve testing with EKG (resting and treadmill), visual acuity testing, audiogram, chest X-ray, spirometry, non-invasive colonoscopy, blood workup, body composition and nutrition counseling. Often the executive has immediate access to over 100 specialists, and may opt for additional diagnostic tests such as calcium-score heart scan, CT lung scans, total body scan of the heart, lungs and abdomen/pelvis, ultrasound for carotid arteries, dental examination, skin exams, and cosmetic surgery consultations.

These forms of health consultations are becoming mainstream evidenced by the executive care programs established by the Mayo Clinic and John Hopkins Hospital in Baltimore. Many hospitals see this emerging field as profitable and, accordingly, are developing programming to enter this market in some form. However, the Greenbrier Spa/Clinic at its West Virginia resort offers a Healthy Living program which combines nutritional counseling, fitness evaluations and full diagnostic screening, all within the confines of its world-class resort. Payment for these “executive care” services most often falls outside of the traditional coverage offered by insurance care providers.

New aspects of preventive wellness are emerging that are called either “*exclusive health care*” services, or *boutique care*. Each concept offers exclusive access to physicians and specialists or practitioners for a “membership fee”. Much media coverage is given to these practices and the American Medical Association is struggling to define its position in this emerging field.

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Another aspect of off-site development is the premium care form often called “boutique care”. Medical/health professionals primarily offer these services outside of institutional settings with house calls, or visits. The patient pays a membership fee, anywhere from \$100 to \$20,000, for special access to physicians and related health practitioners. Patients (600 clients allowed per practice) receive an annual wellness exam, less than 24 hour appointment scheduling, e-mail/pager service to their physicians, prescription and claims assistance.

A variation of boutique care is the “platinum health” service concept that contracts time with doctors for a lump fee yearly. Platinum health concept is to guarantee same day appointments and concierge services. Each enlisted doctor normally limits his or her practice to only 200 platinum patients, pays a royalty fee, can expect to earn between \$300,000 to \$500,000 per year and work only 30 to 40 hours weekly.

Combining with the above, the health practitioners are opening holistic and well-ness care centers – some incorporated within institutions like hospitals, but most often independently located within a commercial complex. For instance, the regional hospital in St. Paul, Minnesota recently opened a clinic of holistic care that combines nursing care, physical design and medical technology to create a healing environment.

Holistic nurses help clients view their physical, emotional and mental well being in the context of a given illness. Massage, breathing and relaxation techniques, music therapy, meditation, and aromatherapy are incorporated in this center, and most patients and their family stay overnight in the region.

Another example of a holistic programming is the Hospital for Special Care (HSC), a privately owned, for-profit rehabilitation and chronic disease hospital in Connecticut, which opened in 2000. The HSC offers therapeutic services through the hospital and lectures, classes and retail herb market to the general public. Services include chiropractic, psychiatry, acupuncture, oriental medicine, bodywork, herbalist, naturopathic medicine, and nutritional counseling, homeopathy and body/mind techniques.

With Asheville’s position in the medical field, ZHA believes that there are numerous opportunities for independently sited health practitioners, developing a new complex that complements the services provided at the existing hospital. Asheville has a fully established corridor along Pattern Avenue for traditional physicians and clinics but

few know of the extent of worthy holistic practitioners in the local marketplace. For instance, a quick reference of the advertisements in the *Mountain Xpress News* finds ads for four yoga centers; eight massage therapists, two herbal remedial shops, and

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three lifestyle coaches. ZHA further notes that that three wellness centers currently exist near Asheville – the Asheville Yoga Center, the Black Mountain Wellness Center, and the North Carolina School of Natural Healing. However, since no definable center or organized structure between non-invasive practitioners and the hospital exists development of such an entity represents a unique opportunity for RiverLink, Inc. as a coordinator and/or organizer.

### 3. Suggested Medical-Related Development Program in Watershed

It is proposed that the UDA Team investigate the inclusion of a multiple floor, newly constructed complex oriented to accommodating non-invasive medical/ health industry. The medical related complex will consist of **80,000 square feet of ground-floor/second floor gross building area**. This space should be designed to handle the specialized offices of health practitioners and their needs for “wet walled” suites. This will make the use of renovated, older buildings somewhat difficult to envision. Averaging approximately 2,300 square feet per office (about six employees per unit), it is expected that a developer could market to about 35 separate medical and holistic practitioners.

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Along with an improved road configuration, new and rehabilitated buildings create a neighborhood retail center for the riverfront at the intersection of Lyman and Riverside Drive ©2002 Urban Design Associates

The development tract should be close to 200 to 220 feet in width excluding the boundary street. A simple two-story, parking ramp should be considered, surrounded by townhomes if possible, with additional parking at grade as needed. The linear development site could be organized around a central spine street with limited two-way traffic with approximately 11 feet-wide lanes. What may work in this site is reverse diagonal parking with intersections which offers superior pedestrian access. In keeping with the watershed environment, substantial planting and vegetation is most appropriate, with approximately 20-foot-wide sidewalks. Water sculptures or public art work could be inset into the sidewalks areas. Any garage space is likely to need a width of not less than 120 feet.

The upper two floors could be developed into a mixture of apartments and condos with some intra-level second apartments providing interior access to the ground floor offices as “live/work” accommodations. If designed for a single loaded corridor, the best economic sizing would be about 35 feet and 65 feet for double-loaded corridors. The living units will require some innovative, interior courtyard form or atrium of about 70 feet of open space. ZHA is not opposed to some upper level offices if this is found in a design sense convenient, but care should be not to place any retail oriented practitioner on these upper levels. Also, the chosen location for this complex should be near the use that offers retailing within walking distance, since no such convenience is

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directly being offered within the above figures. Convenience retailing may be an option to use in this complex, but it is not reflected in this descriptive language.

A well-planned and properly implemented medical/practitioners complex in the Asheville’s RiverLink area will result in convenience and improved effectiveness in patient care for the hospital and others. The hospital and a chosen developer are the key

players to work with RiverLink, Inc. in order to make this concept a reality. A hospital representative expressed his organization's concern to gain efficiency in pricing, influence case loading, and interface with the hospital internalized mission. The hospital desires to improve the hospital financial position by being a developing sponsor and contributing a new source for economic expansion for the Asheville community that can leverage other aspirations.

The hospital, in essence, views this concept as just part of its integrated long-range planning in providing full services to a changing patronage. The single greatest disadvantage of this concept of a workable off-campus medical-related complex is that it could be constructed and put into operation without sufficient and/or appropriate planning and programming first taking place. RiverLink, Inc. must first approach the hospital and confirm ZHA's solicitation of the hospital's interest and the understanding that this is a hospital-related real estate venture as part of regionalization of medical/health services. A successful project of the nature described above requires a clear-cut motive or set of objectives for developing the buildings in a setting of mixed-uses and a clear plan on how to divide the cost center responsibility with the developer. A whole series of critical questions such as who is taking what portion of what risk, what is the role of interested investors, what direct role will the hospital play in marketing the complex, if any, must be answered.

A developer with medical related development experience must initially be secured, and then RiverLink and the hospital must form a long-range planning committee devoted to finding a workable manner to construct and recruit tenancy for the complex. A good building committee would be made up of two or three board members of the regional hospital, knowledgeable members of RiverLink, Inc., and the city/county administrations, or others.

A much more detailed study of the conceptual appropriateness of this concept for the non-invasive medical and practitioner complex must be made. Information must be sought that include surveys of interest in medical practices willing to re-locate and commit to a lease in this complex, either now or over the next three years. The present location and size of the offices and the lease terms must be detailed. Also, the

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arrangement of mixed uses between ground floor and upper level tenants, if any, must be made with the advice of the development entity. Some tenants will not respond until the complex is actually under construction and also due to partnerships relationships, group referral patterns and other factors. An active marketing and recruitment program is essential!

The planning committee must decide what form of ownership structure they prefer to tap this market. The suggested detailed feasibility study, far beyond this scope of endeavor, is critical as varying forms of ownership—the pros and cons of each—and their financial and tax ramifications, and who stands to gain what must be appreciated. The conceptual design offered initially by the UDA Team must be tested as the size and scope of the mixed-use complex is shifted, changed, and modified. The ability, as offered herein, of supporting private modest structured parking for free must be tested. Preliminary designs for the buildings and upper-floor uses must be programmed and tied into the undertaking. These plans should lay out the exterior of the buildings to make sure it blends with other endeavors on adjacent tracts. Typical floor plans must be shown to be

workable, floor loads acceptable for the equipment, and a primary construction cost budget developed with ownership packages and rental rates confirmed so that operating budgets and the overall profitability of the venue could be understood.

#### 4. New Markets Tax Credit Programming

Inclusion of the RiverLink, Inc., a 501 c (3) organization, is based on two assumptions, as follows. First, it is the single largest landowner in the urbanized portion of the French Broad River watershed, and it possesses a unique sensitivity to development and maintenance of the natural built environment. For this reason, RiverLink is most likely to be designated as master programmer. Secondly, it is one of the few entities that might be able to gain approval to form a CDE (federally sponsored Community Development Entity) around this development program. A CDE, once established can intervene to give the developer(s) the benefit of applying to the federal Treasury's Department New Markets Tax Credit Program or NMTC fund. This additional tool is the benefit of the Community Renewal Tax Relief Act of 2000, signed into law in December 2001. It attempts to spur new private capital investments in depressed inner city and rural areas. By creating direct tax credits, it recognizes that local ventures are having difficulty in raising capital, developing deal flow, providing the management expertise, and managing the risks inherent in less diversified economic locations. The idea is for this invested equity in eligible organizations will provide new and small emerging businesses with "patient" equity to foster creating more healthy capitalized bases for new private enterprises that are often cut-off from mainstream business networks.

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Here is how the entity, called a Community Development Entity or CDEs, works:

The CDE will decide what businesses to invest or lend to with the funds it raises with the NMTC. A new business or part of an existing business or corporation must meet the two eligibility requirements, as follows:

- (1) The business must be located within a blighted area, or within a given census tract of at least 20 percent below the tract's median income that does not exceed 80 percent of the MSA income, or 80 percent of the statewide median income, and
- (2) The business to be funded must be part of a broader local plan tied to that location, either in terms of market support or performing its business within the boundary of the district, the census tract, or the jurisdiction.

Each of the above transaction would be negotiated by the developer (as designated) for each redevelopment component of this mixed-use project. For those land parcels held, the investing equity partner to the developer may apply to receive a credit against its Federal income taxes by making this qualified equity investment or apply for third party entity sharing. Substantially all of the equity thus raised by the CDE would be invested in the designated project, thereby being eligible for tax credit due to the low-income nature of those surrounding communities and areas that comprise the watershed.

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Such privately invested funds obtained would be granted an investor equity credit for up to 39 percent of the cost of the investment, and can be claimed over a seven-year credit allowance period. For instance, the investor receives a credit equal to five percent of the total invested for the first three years, and for the next four years, the credit is

raised to six percent. Thereafter, the investor in a CDE activity can redeem their investment full amount if he so desires and is allowed by the terms set by the CDE.

CDE are approved by competitive application to the U.S. Department of Treasury, and upon approval, the Treasury sells credits to taxable investors in exchange for stock or a capital interest in a CDE activity. Throughout the life of the NMTC Program, the Fund is authorized to allocate to approve CDE's in the aggregate amount of \$15 billion in investor-provided equity for eligible project areas. As of May 6, 2002, 258 CDE's have been certified nationally. A CDE may apply for certification solely on its own behalf, or it may apply on behalf of itself and one or more subsidiary entities under a single application

#### 5. Water, Streams, and Their Habitat, Including Humans

ZHA, though focused on enhancing economic development opportunities in Asheville, tempered its recommendations so the collective findings would prove compatible to the fragile natural resource of the French Broad River watershed. The difficulties of cultivating the River lands for mixed reuse include its floodplain characteristics and its isolation from the larger urban community. Regardless, the watershed is a marvelous collection of environmental attributes that must be protected.

Planning exercises must be sensitively aware of the impact of inserting too many urban forms into this natural landscape. Equally important, is the need to insert certain types of users that will function as retainers charged with keeping a "set of eyes" on this natural, parkland estate. The planning team must view the river for its attractiveness for all creatures and spell out a framework that allows for preservation of its natural attributes.

During the charrette, ZHA was pleased to note a *USA Today* article discussing the National Audubon Society's plans to establish hundreds of new nature centers across the country by 2020, with a special focus on urban areas. On June 5, 2002, the Society celebrated the opening of its first urban Audubon Center in Prospect Park in Brooklyn, New York, in a \$5 million renovated boathouse that recaptured the building's 1905 Beaux Arts architecture. Primarily oriented to urban children, the program provides an opportunity to directly experience nature. Audubon centers often find their

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signature focus around the fascination for birds, but the educational thrust is a deeper appreciation for the entire habitat of nature and its elements.

The Executive Director of RiverLink, Inc. immediately seized upon ZHA's excitement and invited the executive director of the North Carolina State Office of the National Audubon Society, Chris Canfield, to join in the charrette undertakings. It was discovered that Audubon North Carolina had previously completed statewide strategic planning for centers. In that plan, Asheville had been targeted as the location for a first Audubon education center in the mountains. Upon learning about the RiverLink initiative, Mr. Canfield arranged to be present during portions of the charrette.

Subsequent visits and meetings have indicated a strong interest by Audubon in the RiverLink project. Much additional work remains, both by Audubon and River-Link, to determine the viability of the center idea. The need for formal confirmation of the center's aspirations, the definition of the locational needs, how to fund it, its site and open space requirements are some of the questions that now exist. But surely, the very essence of this programming could be valuable to the protection of the habitat of the river, its

shores and floodways. It seems that the Audubon Center could act as one counterbalance to the inclusion of urbanization by becoming an insurance policy against leaning too far one way or the other and instead seeking a blend that is respect-ful of the stated vision. Audubon senior staff is aware of the mix of goals of the River-Link project and support the combination of economic and environmental revitalization.

Audubon's national guidelines for centers emphasize their adaptability to local community needs while also carrying out the larger Audubon mission of building a growing constituency for conservation. The National Audubon Society Board of Directors has established the following "Ten Essential Elements of Audubon Centers":

1. Promote Audubon's mission.
2. Build relationships between people and nature.
3. Teach about the environment, in the environment.
4. Educate about local conservation issues.
5. Partner with chapters, community organizations and public agencies.
6. Ensure financial sustainability.
7. Serve diverse ethnic and socio-economic groups.
8. Develop habitat-based programs.
9. Incorporate "green building" practices.
10. Evaluate programs qualitatively and quantitatively.

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ZHA, Inc. classifies museums into three functional categories—those being culturally inspired, historically oriented, and educationally derived. Cultural museums, such as the Folks Art Center on the Blue Ridge Parkway, celebrate the heritage and ingenuity of the area's indigenous population. Historical museums take its theme from the Biltmore Estate that recreates the past for future enjoyment and appreciation. Educational facilities entertain and teach with hands-on learning. All of these museums can be found in Asheville or its region. Much of our tourism comes to this region to appreciate what we have created for our visitors and ourselves.

Surveys indicate that Asheville's natural surroundings are the number one reason for tourism and visitation to this area. Hotel sales and room rates peak during the spring season, celebrated by the Biltmore's Festival of Flowers, and during the fall when the colors of mountain foliage are their most vibrant. If nothing else, the charrette and its stakeholders echoed continually that whatever is allowed to develop along the watershed must not damage the environment of the river and its banks and floodways.

The French Broad River, set within the Asheville region, enjoys an important environmental distinction from the balance of America. Untouched by the glaciers of the Ice Age, the area has listings of flora and fauna that cannot be found elsewhere in the continental U.S.—one would have to travel to the northern parts of Canada to duplicate many of the local attributes. In essence, the area's distinct ecological niche could prove to be an organizing element for Audubon's RiverLink Center as it expands its outreach from the urban river corridor to the surrounding mountains and forests.

Outside of Asheville in Allegheny County is located Bullhead Mountain, 3,900 feet in elevation, in the northwestern corner of North Carolina. The Conservation Trust of North Carolina, the Blue Ridge Rural Land Trust, and the North Carolina Division of State Parks, with support and management to be offered by the National Audubon Society,

recently purchased this entire mountain for conservation. Blending this stewardship with an Asheville Audubon State Center located in the watershed of the French Broad River would certainly give the Mountain region a broader attractiveness or more of a “national emblem” to market. It seems that these mountains are the premier location for viewing the annual spectacle of migrating hawks, falcons, eagles, and vultures through North Carolina, mostly during the months of August through December. It is envisioned that entire multi-day itineraries – for residents and tourists- could be booked for trips to Bullhead Mountain, Mahogany Rock and Pilot Mountain State Park, and the Asheville facility.

Creating and sustaining an Audubon Center requires a high degree of local community buy-in in terms of funding and programming. Each center must carry out its

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own fundraising, establish its own advisory board, and provide staffing in line with a thorough business plan that demonstrates sustainability. Each North Carolina Audubon center will be a business element of the state office and report to the Education Director for the state. Each proposed state center requires approval of not only state-level leaders but also national staff and board before any formal commitments can be made.

Based on a preliminary outline of standard center requirements provided by Audubon staff, ZHA estimates that the Society will need a site of approximately 2.4 acres for its potential building including the outdoor space of about 1,450 square feet, and adequate undisturbed open space. It assumes the latter space will be integrated with the building exhibits but located in a closure between, perhaps, the wings of the main building (estimated at 8,000 square feet of exhibit and education space plus about 500 square feet of back-of-the-house storage and administrative space). About 8,500 square feet of ground will be needed for car and bus parking. The identified preferred building site is currently a five-acre junkyard. A thorough brownfield reclamation process must be undertaken with RiverLink to make the area safe for visitors, especially children.

Possible location for a State Audubon Habitat Center consisting of center complex and landscaped parks meeting unique needs of Audubon’s program ©2002 Urban Design Associates

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**TABLE 20 RIVERLINK AUDUBON CENTER CONCEPTUAL SPACE REQUIREMENTS FRENCH RIVER WATERSHED AREA, ASHEVILLE, NORTH CAROLINA**

Interior Space	Gross Bldg	Conceptual-Derived	Square Feet	In Square Feet
1,500	Auditorium & FFE	2,500	Exhibit Area and	
Furnishings	1,000	Workshop	600	Library/Resource Area
500	Restrooms	400	Courtyard (open-air)	900
Gift Shop (optional)	600	8,000	Exterior Space: Bird Feeding Station	500
200	150	600	1,450	Grand Total of Bldg Area
10,500	2,200	12,700	Building, Grounds and Parking	<b>22,150</b>
Source: Estimates by Audubon State Chapter Staff, and ZHA, Inc. Audubon Center Development				
Budget	\$77,700	\$18,700	\$96,400	<b>\$1,339,450</b>
	\$7.40	\$8.50	\$7.59	
	\$80	\$48,000	\$103,750	\$71.55
	\$110	\$22,000	\$75	\$11,250
	\$1,139,300	\$142.41	Cost Per Sq. Ft.	\$45
	\$22,500	\$65	\$58,500	\$98
	\$58,800	\$110	\$55,000	\$95
	\$38,000	\$165	\$165,000	\$70
	\$42,000			
<b>Total</b>	Auto Parking (30 spaces)	Bus Spaces (3)	Total	Square Feet
Greenhouse	Changing Rooms	Boat/Equip. Garage	Estimated Total Develop. Costs	\$147,000
	\$575,000	Classrooms (2 @ 750 sq.ft.)	<b>Total</b>	\$98.00
	\$230			

It is hoped that the surrounding land will be reclaimed to be sensitive to the area’s prior status as wild riverbanks. Extensive wetland and buffer tree/shrub zones could be

formed to demonstrate what a riverside habitat could be. Boardwalks could weave through the restored area with educational signage and opportunities for inter-action with the newly established environment. Design emphasis would be directed to

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be aesthetically pleasing and fit in with the surrounding landscape. Following green-construction standards for materials and energy conservation, the building itself will be a low-profile structure oriented to take advantage of solar energy and durably constructed to withstand public visitations. Building siting will take advantage of a scenic view overlooking the river and its shoreline while avoiding obstructed sight lines. Initially, patronage figures are to range widely between 20,000 and 50,000 yearly, with the range only limited by the success of the entire riverway project.

The building itself will be designed for educational programs and limited exhibits. Administrative and storage areas will be incorporated behind the scenes. An estimated budget of \$1.3 million seems somewhat low, but until more definitive drawings are made and specifications defined, it is impossible to get a better figure at this time. Parking for the disabled, drop-off for buses, and patron parking for about 30 vehicles plus several bus stalls are envisioned with a generous land portion left for creative landscaping and naturalizing.

Much work needs to be done on this proposal to define more completely a workable program, and a definitive feasibility study should be commissioned and completed (taking into consideration such items as easements, setbacks, and floodplain implications). The key is the location of a workable site that affords the Society the ability to tap into a public system of trails, observations areas, and greenways along the riverbanks that the Society can monitor and program. Preliminary planning during the charrette and the working draft of the planning report designated the above site for the Audubon Center relative to surrounding landscaping and attractiveness of the river and its banks. Subsequently, following the charrette it was established that the suggested site is within the floodway of the river. Construction of any such building in a floodway is thought unwise and a new location with hopefully equal attributes of river views and environmental features can be identified. A new construction location for the Center is being sought by the planning team at this date.

#### 6. Relocation/Expansion of the Health Adventure Museum

In 2001, after five years of planning, the existing Health Adventure Museum has completed its "in-depth" strategic plan for expanding the scope of this highly popular museum. The Health Adventure program has been active in Asheville for the past 33 years and it is clear its program impacts warrant immediate consideration for expanded facilities. During these recent past years, the institution has conducted various pre-development programming sessions with identified focus groups, held key interviews, and surveyed to determine its potential role in the emerging marketplace of the Asheville region. It is clear the current facility lacks parking, is difficult

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for bus access and strolling visitors and tourists, and lacks a workable family orientation for food in adjacent facilities conducive to museum's aspirations.

Attendance at the current facility has grown by over 300 percent in the last ten years, and the existing facility is functioning on creative overload to handle its patronage. The aforementioned strategic plan envisions by 2004 the creation of a newly located and

constructed facility -- just about four years from the date of this report. The immediacy of this endeavor is best illustrated by examining the current attendance per square foot of exhibition and related space. Today, the museum is obtaining a visitor density factor (THA) of approximately 9.13 visits per square foot, more than any sci-ence or health museum in the State and more then twice the national average.

Another indication of the urgency for relocated and new facilities is the examina-tion of the national situation. According to the *Nation's Report Card*, as administered by the *National Assessment of Education Progress* just one-third of the US students between 4<sup>th</sup> and 8<sup>th</sup> grade have the essential knowledge to do grade level work in rela-tions to important aspects of this Earth, physical and life sciences. Only eight (8 per-cent) percent of the State's teachers have had a course in more then one science class since completion of their high school education, as documented by the NC Department of Public Instruction.

The new center would focus to develop and construct a unique state-of-the-art science and health discovery center facilitating its patrons to learn through interactive means. The Health Adventure Museum's newly adopted vision statement best expresses the aspirations to become a national model for teaching strategies about sci-ence and health in an educational mode—utilizing both indoor and outdoor exhibits to enable people of all ages, both local and tourists—to learn more about the world it coexists within. Preliminary adopted plans call for the Phase I to be completed within five years occupying about 46,000 square feet of interior space with additional outdoor exhibits, and the final phase to be completed within the following ten years to add another 25,000 square feet of interior space.

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Phase OnePhase TwoTotal In Sq. Ft.In Sq. Ft.FacilityComments and Notes7,0007,00015' ceiling,dividable,floor drain4,5003,0007,500Rear Projection, climate, stages, dimmersOne Classroom as Learning Lab1,00001,000Loading dock,elevator/compatible w/forklift clearance on ceiling/doors/elevators8000800Visible/adjacent to Lobby1,00001,000Ventilation,power dust, storage,accessible2,0001,0003,000high ceiling and access to elevator6,0003,0009,0001,0005001,5001,00001,0008000800Climate control with projection provisions1,0006001,600Changing stations, and public/staff20,00016,00036,000Ceiling of 12'46,10024,100 70,200 10,500,000\$ \$6,025,00016,525,000\$ 227.77\$ 250.00\$ 235.40\$ 2.822.78130,000195,000Source: Health Adventure Administration and ZHA, Inc. Health Adventure Program**Total Estimated Visitations**Cost Estimate/Per Sq.Ft.General Exhibit**Total Area**Estimated Development Costs**Visitation Per Square Foot**Kitchen/Dining FacilityRest RoomsStaging Area**Area Description:**Lobby/Holding AreaBoard RoomMuseum StoreWork ShopStorageOffice/AdministrationTABLE 21FACILITY PROGRAMMING FOR THE HEALTH ADVENTURE MUSEUM, ASHEVILLE'S RIVERWAYTraveling ExhibitsTheaters/Classrooms (6-8)

It is imperative that RiverLink and its stakeholders determine if it is compatible for the riverway lands to be considered as a potential location for this valuable mu-seum. The process of assessing the museum's contribution to the community has just begun. A review of the literature about museums of this size and mission statement reveal:

- Americans are emerging as consumers and not producers and we must give our kids things to do and get their hands on things.
- The Association of Youth Museums have documented that this field has experienced a 98 percent growth in the last three years in attendance.
- Sixty percent of Americans visit a science or museum at least once a year, and the 2000 Census indicate that nearly 750,000 persons live in the 18-county western North Carolina region. In fact, studies show that 100 million people visited science centers in the US last year, rivaling all major sporting events in popularity.

The Health Adventure plans to detail its strategic plan in the fall of 2002 with the following milestones contained in its scheduling commitments as follows:

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Fall 2002----- Public Disclosure of Relocation/Development Plan  
Spring 2003-----Feasibility Study Completed for Preferred Site  
Before Fall 2005---Capital Campaign  
Fall 2005----- Construction Commences  
Fall 2006----- New Facility Opens

An optimum site area for this important museum is dependent on how parking is handled. If left as an “independently sited” facility it shall require about five to six acres of land for interior and exterior exhibits and handling of visitation requirements. It is expected that about two to three acres will be needed to meet the outdoor exhibit and educational displays likely to be planned. Parking for at least 12 buses must be arranged, and up to 120 cars parking is viewed as essential in a convenient location. The facility must have a porte cochere, covered loading docks and full HVAC system for its interior spaces.

ZHA, Inc. investigated a number of science and children museums in America to determine their contribution to the economy and impact on revitalizing areas of a community. It is clear that science centers have played a pivotal role in removing blight in towns and cities, increasing pedestrian usage, and in creating new expenditures and jobs. Much needs to be done following the completion of this endeavor, and ZHA encourages RiverLink, in cooperation with Health Adventure, to consider creating a design competition for both site and shared usage by applying to the National Endowment for the Arts for funding (up to \$50,000) to match local funds under its New Public Works initiative to conduct a national design competition. NEA is interested in architecture as well as a setting of landscape and sensitive environment, and ZHA believes the French Broad waterway could be a perfect candidate for a federal grant to move this initiative along.

#### 7. Market Implications to Installing an

##### Active/Extreme Sporting Venue

There were almost 32 million participants in the national paddle sports market in 1988, the latest published figures obtainable by ZHA, Inc. These activities consisted of canoeing, kayaking and rafting. Each of the three primary categories has specialized sub-groups, which require different equipment and training. For example, canoeing usually takes place on lakes or flat water, or what one participant at our charrette called “happy waters”, but others are designed as open canoes and decked ones (C-1s and C-2s) are made specifically for white watering. Kayaking occurs on flat

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water, white water and open seas. Rafting almost always takes place on white water rivers. Some of the characteristics of the paddling sport (non-rafting) are summarized below for reference purposes:

- Canoeing and kayaking account for about 16.71 million participants in 1988 with kayaking growing at the most rapid rate.
- Approximately 61 percent of the participants are between the age of 16 to 39 years of age
- Nearly 79 percent of the participants have income above \$25,000 and within this category about 39 percent of all persons have income above \$50,000.
- Approximately 61 percent have education above high school levels

- *Enthusiasts* that participate at least five full days per year represent 24.6 per-cent of the entire US market engaging in paddling, and about 74.2 percent of all recognized paddle sporting activity.

Paddling events are an important vehicle for promoting a white water venue and attendance is increasing at these locations yearly. Events can be classified first by the competitive level and by genre, with slalom racing the most traditional form of white water racing. Slalom competitors maneuver through a series of gates along a specific course and are penalized if they touch or miss them.

White water races do not have any gates and the pursuit is for the fastest time possible. The newest competitive white water event is called a rodeo and revolves around surfing the holes where water falls and circulates at sharp drops in the riverbed or course bed. Rodeos are perhaps the most entertaining white water events for non-paddling spectator viewing.

Opportunities to paddle on US white water rivers are numerous and virtually cost-free but the enthusiasts must deal with restricted access, dry spells, and travel time to distant locations normally outside urbanized areas. Today, there are four artificial white water venues in the US—relatively few when compared to the 20 sites in Europe. Two of these—the Ocoee and the Wausau courses—are fed by power generation plants and discharge of water limits usage to about 20 days per year collectively. Attendance at these two limited attractions is reported at 27,000 per year.

ZHA inventoried a total of 24 locations/facilities in what is described as the Mountain Region of North Carolina currently offering canoeing and kayaking or both, and/or rafting or white water rivers. Of these locations, 15 advertised both canoeing

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and some form of kayaking, and five offered kayaking but not canoeing. No professional or organized water course exist presently and most advertisements were heavily oriented to water rafting, the top attraction within these categories of water sport activities.

In 1989, the RiverLink sponsored a feasibility study for an Asheville Whitewater Course to better understand the implication and benefits of such. ZHA, Inc. shall not attempt to repeat this endeavor but will quote from its findings. ZHA's interest is in fostering a multitude of man-made and natural uses of the river itself and to use its environment to sponsor a series of water-related sports (fishing, canoeing, competitive and non-competitive kayaking and other activities). These sports would foster the establishment of an attractive array of specialized commercial establishments offering guides, equipment for purchase, and related clothing articles, etc. In essence, once the venue builds up to a national recognized level, attendance would cause a spiraling affect, attracting special displays and products difficult to find in the traditional shopping venues.

The feasibility study conclusions are listed as follows:

- Create a deep water division **wier** from the French Broad River to provide a deep pool inlet for pumped water for the course
- Install small pumps to obtain river water use, and large recirculating pumps from the lower pool to restock the upper pool capacity with the ability to encase the loop system during periods of low water in the river during drought conditions.
- Eject the river water at the end of the daily program to eliminate the storage reservoir needs and reduce the concern about water quality.

- Create a concrete water channel with fixed or movable obstacles to provide a varied but highly competitive course designed to International Canoe Federations (ICF) standards and flow controls to ensure accommodating all differing skills.
- Controlled boat concessions/bathhouse/vendors geared for ICF usage as well for regional/local clubs and schools
- Offer uses such as a slalom training camp, paid admission daily, slalom racing, and whitewater rodeos.

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The tannery building tomorrow as a set piece within a district of sports-related business and activities ©2002 Urban Design Associates

## 8. Capitalizing on the Implications of Art Programming and Introduction of Sports Complexes for Economic Development

Inherent in the thrust to create new agendas for attracting visitation and extending visit/duration to Asheville is the recognition that most consumer surveys match the customer's viewpoint and quality standards to specific merchandise factors—conditions of low prices and frequent sales events can not sustain creating a new agenda or market. Insertion of extreme or aggressive sports and full marketing of this concept, however, allows the community to exploit the compelling differentials against standard competition. Merchandise and its specialization (not depth like the “killer category” outlets) is the single most important variable in shaping a new consumer decision to change their decision of where to shop. And, shopping is still the major attraction of tourism!

ZHA believes the combination of concentrating the arts and crafts and introducing aggressive sporting forms sets the framework for a new merchandising theory in Asheville. In furthering the decision about investing in specialized retailing as a form of economic development, the community must understand that:

- That price is not the central premise for selecting tenant mixture for insertion within the riverway, but rather specialization of the tenant to service the emerging new patron
- The quality of the merchandise is the single most important factor in tenant selection and will shape the consumer's decision where to stop and to linger

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- Service must be employed to be the most positive differentiator in any selective tenant for inclusion
- Store design must be exploited to further the effective differentials
  - so that a given outlet is visually exciting and otherwise distinctively attractive
    - Using everyday fair pricing is more attractive than off-price and secondary merchandise
    - Tap into specialty outlets that emphasize products that are associated with a major societal trend such as natural environment
    - Seek out a developer capable of attracting those “one-of-a-kind” store/merchandise combination tied to the three major attributes of the waterway program—environment, sports, and art

In the retailing aspects of the development program, as shown below, the following listing of potential merchandise categories are listed as suggestive of the concept reflecting the feeling of the consultants and the expressed attitudes of the stakeholders heard at the charrette. (This list is not meant to be inclusive—just stir participants' imagination.) Several competitive manufacturing outlets for each cate-

gory are likely and realistic, forming a base with such depth that Asheville is acknowledged as the place to go, find, and enjoy.

**Kayak Related Items:**

All-around Kayaks  
Freestyle Boats  
Sit-on-Top Boats  
Inflatable Boats  
Helmets  
Lifejackets  
Spray Skirts  
Paddles  
Wetsuits  
Drysuits  
Paddle Jackets/Pants  
Gloves/Pogies  
Throw Ropes Dry Bags  
Gear Bags  
Knives & Hardware  
Racks & Straps  
Head Gear  
Repairs  
Literature and Books  
Videos

**Fishing:**

Reels and Spools  
Rods  
Combos and Accessories  
Hard Baits  
Soft Baits and Kits  
Terminal Tackle  
Videos and Books  
Waders and Boots  
Raingear  
Sunglasses  
Fishing Tools and Knives  
Fishing Accessories and Luggage  
Fishing Gifts

**Camp/Hike:**

Backpacks  
Tents  
Sleeping Gear  
Stoves/Fuel  
Lighting/Batteries

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**Camp/Hike (Continued)**

Water Treatment  
Tools/Cookware  
Containers  
Health/Safety

- GPS Units
- Camp Furniture
- Biking/Wheeled Sports:**
- Scooters
- Skateboards
- In Line Skates
- Gloves
- Hydration Packs
- Bike Helmets
- Lights
- Pumps/Bottles/Cages
- Safety Equipment
- Tires and Tubes
- Locks and Security
- Tools
- Trailers and Racks
- Lubricants
- Bicycle Components
- Magazines, Maps, Videos
- Expert Advice
- Climbing:**
- Carabiners
- Protection Devices
- Ascender and Decender Hardware
- Ropes, Cords, Slings
- Dynamic Ropes and Bags
- Harnesses
- Footwear
- Crampons
- Helmets
- Clothing
- Packs
- Trekking Poles
- Instructional Manuals
- Videos

Considerable interest and continual comments from the charrette and its many stakeholders points to the need to centralize the outdoor recreational aspects of the Asheville market upon the French Broad River environment, to take advantage of the installation of user activities such as a possible new white water course, and to support the boarding for biking activities, camping, hiking and related outdoor enterprises. The concept is to cluster the focal point of this multi-county industry in the Tannery District supplemented by the construction of a new Health Adventure Museum. ZHA endorses this concept and envisions the ability to attract a specialized commercial developer capable of capitalizing on this centralization theme by bringing together a cluster of vendors and suppliers (reflecting in part the merchandising mix partially described above). At a minimum, it is recommended that planning be reflected to inserting between 100,000 to 150,000 square of commercial-oriented sale floor area. Preliminary sales output for these units is estimated at approximately \$30 million plus, reaching sales per

square foot of merchandise of about \$210.00 or better. Applying the formerly discussed CDE's concept to raise capital equity for this undertaking is suggested.

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#### 9. Enhancing the Impact and Depth of the Handcraft and Art Community

In December, 1977, the Asheville Area Chamber of Commerce, the County's Tourism Development Authority and others commissioned a market evaluation of the Tourist Industry by Arthur Andersen, LLP's Atlanta Office. Some of its findings are applicable today and we pulled out of this document the following key factors that related to the arts industry in Western North Carolina, as follows:

- Asheville's visitation figures are heavily influenced by the Biltmore Estate and the Blue Ridge Parkway, with approximately 88 percent of the visitations traveling by car or RV. The average length of stay in the Asheville region is 3.4 nights.
- The average age of the tourist is 44.1 years, and 79 percent have graduated or pursued advanced studies.
- The most unprompted response from surveys indicate a lack of adequate attractions for children and teens and evening entertainment, with requests for a more in-depth and organized craft and nature program/activities.
- Any arts initiative should be centered on a "hands-on-craft" park, craft institute, and retail outlets.
- Organize in Asheville a new image as being the "Center for Craft, Nature, or History Heritage Tourism, creating a package of multiple activities and time frames to encourage longer stays.

These findings and the directives/advertising of Asheville's attributes continue to confirm the findings of the local artisan endeavors to focus attention on the invisible industry of crafts people working in the region as an additional means to create fresh economic development and renewal in the mountains. Many craft and talented artisans are working to offering studio classes, operate shops, and galleries, many situated in small towns and back roads throughout the 22-county Mountain District called Western North Carolina.

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Rejuvenated Cottonmill site with studio and loft buildings and a farmer's/artist's market that line a new riverway  
©2002 Urban Design Associates

In 1993, the artisans, in a determined self-help mode, obtained a three-year grant, and organized the HandMade in America organization, which is now broken into four entities with separate boards of directors. Two are public charitable foundations (501C(3)'s) and two are non-profit 501C(4) organizations. Each of these entities has enhancement strategies. The Parent Company remains the **HandMade in America, Inc.**

In 1995, this organization with assistance of the John A. Walker College of Business at Appalachian State University conducted a survey to measure the inherency of the handcraft industry in Western North Carolina (WNC) and published the survey findings entitled **The Economic Impact of Crafts**, covering the industry in 22 counties. Findings revealed that this field caused the infusion of \$122 million annually to the local economy which is four times the size generated by the state's largest cash crop (burley tobacco). The survey also pointed to the essential need to access capital, adopt and implement an enhanced marketing program, and find specialized business education services.

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ZHA, Inc. suggests for those wishing to delve deeper into the attributes of the handcraft industry in the Carolinas to obtain the above-referenced study plus the works entitled *The Craft Heritage Trails of Western North Carolina*, Third Edition, and the *Explorations in Community, 1994-1999*. These works reveal that WNC is home to more than 4,000 artisans and 700 full-time crafts persons earning an average of \$35,000 per year from their talents. Approximately 67 percent of the crafts sold in WNC go to outside visitors, and the artisans consist of storytellers, musicians, furniture builders, iron workers, painters, doll makers, to name a few.

Nationally, the identified crafts industry engages up to 126,000 artisans working, and the average gross sales per crafts person is about \$76,025 annually. Total impact of these craft sales ranges between \$12.3 to \$13.8 billion per year, and the average artisan has a household income of about \$50,000, or 26 percent above the national average income per capita. Of this amount, about 47 percent of this income is derived mainly from outputs in craft and related products. Other interesting figures that contribute to forming a working scheme for installing in the French Broad River waterway a more formal series of outlets are the following statistical guidelines:

- Direct retail accounts for 52.9 percent, or \$6.9 billion, with about half occurring during scheduled craft fair events.
- The average crafts person derives about 27 percent of his/her sales from wholesale and 11.2 percent from consignments to galleries.
- Craft artisans that employ paid workers have about three times the house-hold income and ten times the sales/revenue then those that work alone.
- Other interesting profiles include:
  - a. females make up to 64 percent of the all crafts persons
  - b. The median age of an artisan is 49 years and 41 percent range from 46 to 55 years.
  - c. Approximately 79 percent of all studios are situated in the artisan's home, making a ready market for live/work units
  - d. About 64 percent of all artisans work alone, another 18 percent have a partner or family member, and 16 percent have employees with salaries, according to *The Craft Organization Directors Association (CODA)*.

Considerable interest and continual comments from the charrette and its many stakeholders pointed to the need to centralize the handcraft industry of Asheville upon the French Broad River environment to take advantage of the sizable live/work population concentrated in this area. The concept is to cluster the focal point of this industry

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in the designated "River Arts District" to be situated around the intersection of Lyman and the River. The district would include the intersection of Haywood and Roberts at the eastern end of the RiverLink Bridge. ZHA endorses this concept (as being proposed by the UDA Team) and envisions the ability to attract a specialized commercial developer capable of capitalizing on this centralization theme to bring together a cluster of vendors and suppliers (reflecting in part the merchandising mix partially described above).

At a minimum, it is recommended that planning be reflected to inserting between 50,000 to 75,000 square feet of sale floor area. Preliminary sales output for these units is estimated at approximately \$6,760,000 to \$9,750,000 in their third year of operations, reaching sales per square foot of merchandise of about \$130.00 or better. Applying the

formerly discussed CDE's concept to raise capital equity for this under-taking is suggested.

ZHA examined and researched a number of complexes possessing some attributes of our proposed River Arts District and decided that the MASS MoCA in North Adams, Massachusetts contains many aspects worthy of studying. MASS MoCA includes 19 galleries with more than 100,000 square feet of exhibition space, a black box theater, a 3,500 square foot lab theater, an outdoor 50-foot wide movie screen and a 70mm projector, two performance courtyards, workshops and art fabrication facilities, and about 60,000 square feet of commercial offices of non-related tenants in communications and media coverage. Most interesting were the adaptive reuse of existing buildings and the provision of live/work units for artisans. While more massive in size than could be achieved along the French Broad, the details of the design and the nature of the MASS MoCA are an interesting complex to study. Along the French Broad there should also be food and beverage operations and some entertainment, but the focus of the River Arts District should be more studios, display facilities, offices, and live/work apartments. It is expected that about 375,000 to 500,000 gross square feet of building area in new construction and rehabbed buildings could be fostered if marketed vigorously including all of the above mentioned uses.

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***IV. SUMMARY OF ECONOMIC RECOMMENDATION FOR THE FRENCH BROAD RIVER WATERSHED'S URBAN REVITALIZATION***

Within the Asheville Urban Riverfront and Riverway, it is recommended that three distinct districts be developed and linked to provide a vast new resource to the Asheville community for economic stimulation. Within these districts it is suggested that to the extent possible the design endeavors of UDA and its consultancy team attempt to insert at least four new economic components – including a most important latent development opportunity for preventive medical and holistic practitioner care, crafts and artisan recruitment, an important water-related industry including vendors, and finally three new museums being the WNC Sports Complex, the Audubon Habitat Center, and the Youth Adventure/Science Museum. ZHA acknowledges that perhaps all three museums/activities might not be achievable in the land areas defined as redevelopable.

The table, below, roughly outlines the potential for these summary uses, less the WNC Sport Complex. It is the judgment of the consultancy team and the client to work with each group and finalize the selection of the most compatible museum icons to be built.

OPTIMUM RANGE OF GROUND-LEVEL RETAIL AND HEALTH RELATED USES  
 FRENCH BROAD RIVER WATERSHED, ASHEVILLE, NORTH CAROLINA

Output Per Square Foot	\$130.00	\$210.00	\$237.50	\$245.00	\$209.36
Summary Table of 1st Floor Uses	Total Retail/Office Level Uses	Other Office Related Uses	52,000	80,000	327,000
Uses	145,000	50,000	Retail Vendors Oriented to Sports/Related Source:	Databank Utilization, Inc. and ZHA, Inc.	\$6,760,000
	\$30,450,000	\$19,000,000	\$68,460,000	\$12,250,000	Retail Outlets Oriented to Arts/ Crafts Medical and Holistic Practitioners Potential Reuse
Range:	Gross Building Area In Square Feet	Sales/Receipts Amount	TABLE 22		

The topographic differentials between the riverlands and most urbanized portions of Asheville have impacted the character of previous and current uses within the river

valley. In essence, the riverlands suffer from a form of transportation isolation. The new planned Riverway (Parkway) will establish a new east-west movement, an essential transportation component long needed by the broader metro community. This

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parkway now being studied will create an opportunity to serve the community's transportation requirements, while it assists in maintaining/preserving the river valley's scenic attributes. Sensitivity to the continuity of the environment and inserting a roadway is thought possible while providing a tremendous outdoor recreational amenity for residents, businesses and tourists alike. Without this planned transportation improvement it is unlikely that our vision of the character of redevelopment could be achieved.

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