

## CHAPTER FOUR: THE SOCIO-ECONOMIC ENVIRONMENT OF THE BRNHA



### INTRODUCTION

This chapter attempts to describe in brief the socio-economic environment of the Blue Ridge National Heritage Area. The sheer number of political jurisdictions and topographic and land use variations spread over an area of approximately 10,000 square miles warrants perhaps a more detailed examination. However, time and budgetary constraints preclude this plan from documenting more than the major macro-trends affecting the region as a whole and at the county and tribal level. This chapter is intended to provide BRNHA decision makers with useful reference materials as they consider where in the Heritage Area to invest the organization's efforts and what kind of efforts warrant priority attention. This chapter is also intended to be a meaningful reference for potential implementation partners as they formulate proposals to the BRNHA. The information presented in this chapter has also proven instrumental in the environmental assessment (EA) process as several alternative management approaches were analyzed for their potential to contribute adverse or beneficial environmental impacts to the Heritage Area environment.

The BRNHA is largely rural, yet is home to more than one million residents and is served by an extensive transportation infrastructure. It is an area with abundant forest land and few large population centers, but one experiencing rapid growth and development. These and other important features of the socio-economic environment are discussed in this chapter. The issues addressed include population, land cover, transportation infrastructure, and the role of tourism in the regional economy.

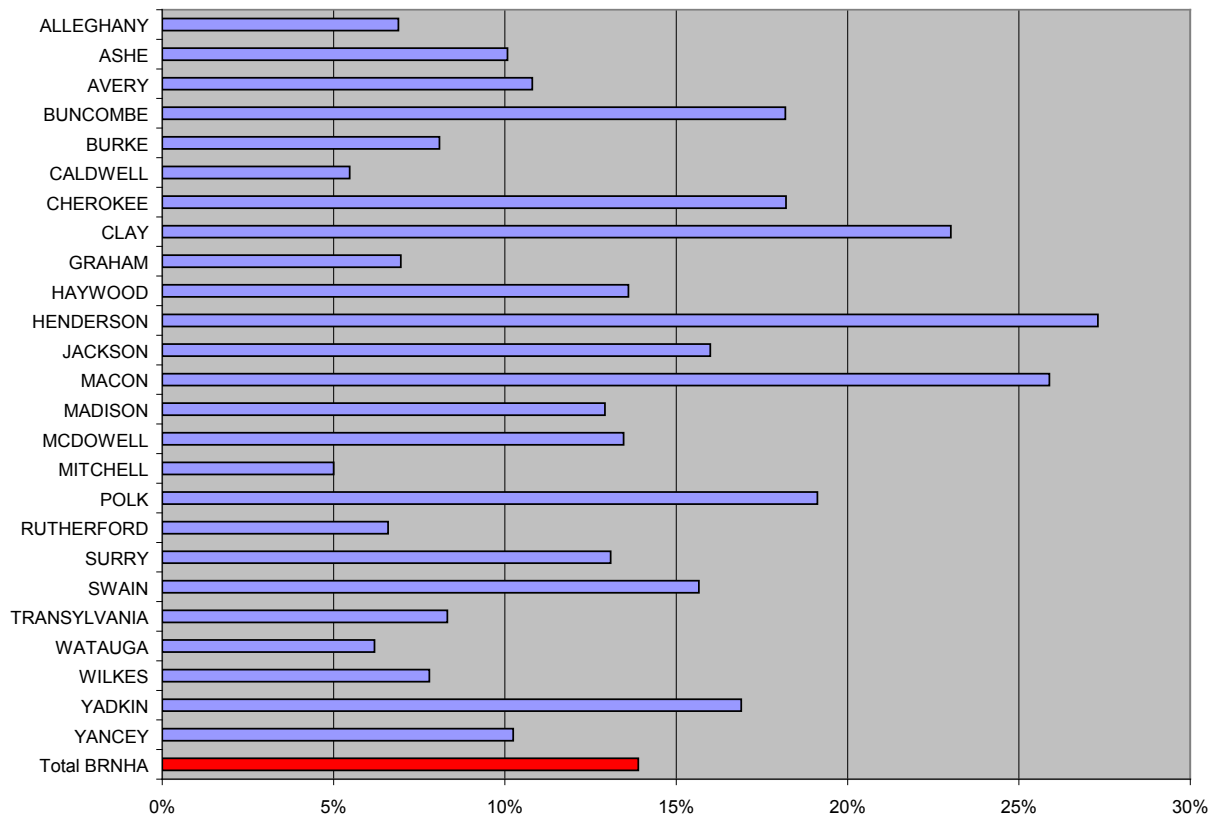
### POPULATION TRENDS

The BRNHA supports a large and growing population. The resident population of the 25 county region was 1,148,000 in 2005. Population is widely dispersed across the area. Only five municipalities exceeded a population of 10,000 as of 2005, with only one of these over 20,000: Asheville - 73,189; Lenoir - 18,456; Morganton - 17,010; Boone - 14,130; and Hendersonville - 12,237. Because of the importance of tourism to the area and the large numbers of seasonal residents (persons with second homes in the region but for whom the area is not the primary residence), the population during periods of high visitation is likely substantially higher than indicated by these figures. However seasonal population estimates are not available. Portions of three Metropolitan Statistical Areas (MSA) lie within the region, including seven counties: Haywood, Madison, Buncombe and Henderson Counties comprise the Asheville MSA; Caldwell and Burke Counties are part of the Hickory-Morganton-Lenoir-MSA; Yadkin County, the only BRNHA county located entirely in the piedmont, is part of the Winston-Salem metropolitan area.

From 1990 to 2005 the population of the region increased by about 21%. According to estimates from the NC Demographics Unit, ninety percent of the resident population growth occurring in BRNHA counties between 2000 and 2005 was due to in-migration rather than natural population growth from births and deaths. Projections of future population by the State of NC indicate that the region will continue to be dynamic, though population growth may be lower than in the recent past. Population in the BRNHA is projected to grow by 14% from 2005 to 2020 (Figure 4-1). Projected growth varies widely by county, with rates ranging from 5% to 27%. In general, the counties with the highest projected growth rates are those in the southern tier, located along the Georgia and South Carolina borders. Population growth in Henderson and Macon Counties is expected to exceed 25%.

As was the case with current population estimates discussed above, these projections include only the resident population. Seasonal populations are believed to be considerable and may be increasing.

Figure 4-1:  
Projected Population Change in the BRNHA by County, 2005-2020



Source: Calculated from County data from NC Demographics Unit (<http://demog.state.nc.us/>)

## COUNTY BUILDING PATTERNS

Trends in county building permits provide another indicator of growth patterns in the BRNHA. Over 9600 building permits for new single family residences were issued over the entire region during 2006 (Table 4-1). This represents a 41% increase above the

number of permits issued in 2000. The number of annual permits issued increased in 19 of the 25 counties, with 14 of the counties showing an increase of 30% or greater. In some counties such as Cherokee County, where building permits doubled between 2000 and 2006, this trend is widely attributed to the construction of summer homes by residents from Georgia, Florida and other states (personal communication, C. Moore).

Table 4-1:  
Single Family Residential Building Permits Issues by County, 2000 and 2006

County	Number of Single Family Residential Building Permits Issued		
	2006	2000	% Change, 2000-2006
Alleghany	144	151	-4.6%
Ashe	351	239	46.9%
Avery	231	142	62.7%
Buncombe	2026	991	104.4%
Burke	303	296	2.4%
Caldwell	319	400	-20.3%
Cherokee	540	271	99.3%
Clay	276	151	82.8%
Graham	71	58	22.4%
Haywood	492	393	25.2%
Henderson	1010	670	50.7%
Jackson	560	424	32.1%
Macon	342	359	-4.7%
Madison	222	143	55.2%
McDowell	216	222	-2.7%
Mitchell	54	70	-22.9%
Polk	191	121	57.9%
Rutherford	441	276	59.8%
Surry	295	214	37.9%
Swain	216	105	105.7%
Transylvania	233	238	-2.1%
Watauga	568	497	14.3%
Wilkes	262	235	11.5%
Yadkin	201	134	50.0%
Yancey	115	81	42.0%
<b>BRNHA Total</b>	<b>9679</b>	<b>6881</b>	<b>40.7%</b>

Source: US Census Bureau (<http://censtats.census.gov/bldg/bldgprmt.shtml>)

**LAND COVER CHANGE**

Data on land use and land cover for the entire BRNHA are not readily available. However 1997 Data from the Natural Resources Conservation Service Natural Resources Inventory (NRI), which are available by river basin, show the region to be largely forested (75%, including federal land), while 13% is in agricultural use (predominately pasture) and 8% is classified as urban or built-up land (Table 4-2). The NRI data used here are based on the six river basins located entirely within the BRNHA (French Broad, Little Tennessee, New, Hiwassee, Watauga and Savannah). These account for approximately 58% of the BRNHA and are used in this chapter as a surrogate for the region as a whole. The areas excluded lie in the Yadkin, Catawba and Broad River basins and include all or most of Polk, Rutherford, McDowell, Burke, Caldwell, Wilkes, Surry, and Yadkin counties, as well as smaller portions of several other counties. Excluding these areas may result in a slight over estimation of overall forest cover and under estimation of other land uses since these areas do not contain as much national forest and park land as most of the included areas.

Table 4-2  
Land Use Change for Six River Basins in the BRNHA, 1982-1997

Land Cover	1982	1997	Change, 1982-1997	
	Acres (000s)	Acres (000s)	Acres (000s)	%
Crop Land	171.2	96.3	-74.9	-43.8%
Pasture	449.4	417.0	-32.4	-7.2%
Forest	1838.4	1737.5	-100.9	-5.5%
Urban and Built-up Areas	172.5	325.1	152.6	88.5%
Federal*	1308.5	1337.5	29.0	2.2%
Other	150.8	177.4	26.6	17.6%
Total	4090.8	4090.8	0.0	0.0%

\*Federal land is predominately national forest, but also includes the GSMNP and the BRP. It is largely forested.

Source: NCDWQ River Basin Plans (French Broad, Little Tennessee, New, Hiwassee, Watauga and Savannah. Basins absent in the analysis include Catawba, Broad, and Yadkin.)

The region saw significant changes in land use over the 15 year period from 1982 to 1997. Urban and built up land almost doubled during this period (89% increase), while crop land acreage declined by more than 40%. Smaller declines occurred in pasture land and non federal forest (7% and 6% respectively). While more recent data are not yet available, anecdotal observations from the technical consultant and IDT members combined with the growth in population and building permit data since 1997 suggests that there has been continuation of these trends over the last 10 years, and perhaps even at a faster rate of conversion.

The extent of land use change from 1982 to 1997 varied across the region, with increases in developed land ranging from 28% in the Savannah River Basin, which is primarily national forest land to over 200% in the Watauga River Basin (Table 4-3).

Table 4-3:  
Percent Increase in Extent of Urban and Built-Up Areas by River Basin, 1982-1997

River Basin	Total Basin Area (000 Acres)	% Change in Urban Land, 1982-1997
French Broad	1804	85%
Little Tennessee	1150	141%
New	485	46%
Hiwassee	414	101%
Watauga	128	219%
Savannah	110	28%
Total, six river basins	4091	89%

Source: NCDWQ River Basin Plans (French Broad, Little Tennessee, New, Hiwassee, Watauga and Savannah).

## TRANSPORTATION INFRASTRUCTURE

### Infrastructure Overview

Major transportation infrastructure in the BRNHA includes roads, airports and rail lines. Roads include Interstate highways, US and NC Highways, and secondary roads, most of which are managed by the NC Department of Transportation (NCDOT). Three NCDOT Divisions nest within the BRNHA: Division 11 (including Avery and Caldwell Counties and others to the north and east); Division 13 (including Mitchell, Madison, Buncombe, Rutherford and others in the central part of the BRNHA); and Division 14 (including Haywood, Henderson and Polk and west).

Interstate Highways include I-40, I-26, I-77 and I-74. There is easy access to I-85 and I-81, which are just slightly outside of the area. I-40 and I-26 both bisect the center of the region, providing access from all directions. I-77 and I-74 provide access to the northeastern portion of the area. Nine counties have at least one interstate. Eighteen US highways provide access to areas not served by interstates. US Highways in region include: 52, 601, 421, 21, 221, 321, 64, 74, 19, 23, 25, 70, 176, 178, 276, 441, 73, and 129. The Blue Ridge Parkway, state highways, rural roads and USFS roads are the remaining components of the road infrastructure.

The Asheville Regional Airport is the major air facility within the BRNHA, providing commercial air service with short flights to nearby international airports in Atlanta and Charlotte, and other direct flights to Newark, Houston, Cincinnati, Minneapolis and other destinations. Two rail lines serve the area - the Norfolk Southern Railroad Corporation and the CSX Corporation. These carriers provide freight service to Knoxville, TN to the west, Greenville, SC to the south, and the remainder of North Carolina to the east. Passenger rail service is available in Greer, SC.

### Planned Infrastructure Improvements

The NC Department of Transportation is responsible for the maintenance and improvement of both highways and rural roads. The NCDOT State Transportation Improvement Program (STIP) tracks planned improvements to highways, roadway enhancement and other transportation projects. The current STIP listing includes projects scheduled for the period from 2007-2113. Information compiled from the STIP (Table 4-4) indicates that substantial road improvement work is planned for BRNHA counties over the next 7 years. This includes approximately 1000 miles of road paving and construction and over 280 bridge repair or replacement projects. The road paving and construction projects include widening, repaving, or rehabilitation in addition to new construction.



Table 4-4:  
Summary of Road and Bridge Projects for the BRNHA Included  
in the State Transportation Improvement Program, 2007-2113

County	Paving & Construction Projects		Other Road Projects	Bridge Projects
	(Miles)	(# projects)	(# projects)	(# projects)
<b>Division 11</b>				
Alleghany	34.7	4	1	6
Ashe	73.3	6	0	18
Avery	53	5	1	4
Caldwell	81.7	11	2	14
Surry	83.6	8	1	8
Watauga	78.1	9	1	18
Wilkes	54.5	7	2	13
Yadkin	27.3	3	1	5
<b>Division 13</b>				
Buncombe	69.8	15	9	19
Burke	59.1	10	2	15
Madison	37.4	3	3	9
McDowell	55.8	5	4	17
Mitchell	31.1	3	1	4
Rutherford	19.3	2	4	16
Yancey	29.3	2	2	11
<b>Division 14</b>				
Cherokee*	23.4	7	2	14
Clay	6.5	2	1	5
Graham*	6.4	2	1	6
Haywood	45.1	8	5	23
Henderson	33.1	6	5	19
Jackson	42.6	7	6	17
Macon	9.5	4	3	7
Polk	5.5	1	5	5
Swain*	16.2	7	5	4
Transylvania	21.4	4	2	9
<b>Total BRNHA</b>	<b>997.7</b>	<b>141</b>	<b>69</b>	<b>286</b>

Source: NC State Transportation Improvement Program, 2007-2113 (<http://www.ncdot.org/planning/development/TIP/TIP/>)

Note: Includes road and highway construction projects listed in the STIP, as follows. The terminology used in the table was developed by Equinox and does not reflect NCDOT terminology. Funding for some projects has not yet been secured and all projects may not be completed by the end of the period. Portions of some projects were completed prior to 2007, but the mileage completed is not specified.

- Paving and Construction Projects include road widening, repaving or rehabilitation, as well as new road construction projects. Mileage is given in the STIP for these projects. Most projects in this category involve lane additions or road widening. Projects listed as “Planning and Environmental Study Only” or “Feasibility Study” are not included.
- The Other Road Projects category includes road projects for which mileage is generally not given, such as guardrail replacement, railroad crossing upgrades, interchange reconstruction traffic signal upgrades and unspecified safety improvements.
- Most Bridge Projects involve bridge replacement, though some involve bridge rehabilitation or replacement of decking only.
- Does not include public transportation and bicycle/pedestrian projects.
- \* Does not include 27.1 miles of Corridor “K” (Project A-0009) proposed for Cherokee, Graham and Swain Counties. STIP does not specify how many road miles are in each county.

## ECONOMIC INDICATORS

The mountain region of North Carolina has historically lagged behind the State as a whole on many indicators of economic condition and continues to do so. The average household income in the BRNHA (mean of county incomes) was \$32,568 in 2000, 17% below the state average and 23% lower than the national levels (Table 4-5). All counties in the BRNHA had average household incomes below the \$39,184 state average, some by a large margin. The poverty rate averaged over all counties in the BRNHA was 13.4% in 2000, 8% and 16% above the state and national averages respectively. Fourteen counties had poverty rates above the state average and in nine counties 15% or more of the population lives below the poverty level. Unemployment in the region as a whole averaged 5.1% in 2006, which was just over the state average and 0.5% points higher than the nation.

Alleghany, Cherokee, Graham, Swain, and Yancey Counties exhibit the most economically troubling statistics - average households earn about \$10,000 (25%) per year less than average households in the rest of the state and about 1 in 6 people live below the poverty line. Clearly, however, the region as a whole lags behind many areas of the state economically.

Table 4-5  
Economic Indicators for Counties in the BRNHA

BRNHA	Unemployment Rate	Average Household Income	Poverty Rate
Locality	YR 2006	YR 2000	YR 2000
Alleghany	5.0%	\$ 29,244	17.2%
Ashe	5.7%	\$ 28,824	13.5%
Avery	5.0%	\$ 30,627	15.3%
Buncombe	3.8%	\$ 36,666	11.4%
Burke	5.8%	\$ 35,629	10.7%
Caldwell	7.5%	\$ 35,739	10.7%
Cherokee	5.4%	\$ 27,992	15.3%
Clay	3.9%	\$ 31,397	11.4%
Graham	6.4%	\$ 26,645	19.5%
Haywood	4.1%	\$ 33,922	11.5%
Henderson	3.6%	\$ 38,109	9.7%
Jackson	3.7%	\$ 32,552	15.1%
Macon	4.5%	\$ 32,139	12.6%
Madison	4.2%	\$ 30,985	15.4%
McDowell	6.2%	\$ 32,396	11.6%
Mitchell	6.3%	\$ 30,508	13.8%
Polk	3.6%	\$ 36,259	10.1%
Rutherford	7.9%	\$ 31,122	13.9%
Surry	5.2%	\$ 33,046	12.4%
Swain	5.8%	\$ 28,608	18.3%
Transylvania	4.3%	\$ 38,587	9.5%
Watauga	3.8%	\$ 32,611	17.9%
Wilkes	5.5%	\$ 34,258	11.9%
Yadkin	4.3%	\$ 36,660	10.0%
Yancey	5.6%	\$ 29,674	15.8%
Qualla			
<b>State Average</b>	<b>4.8%</b>	<b>\$ 39,184</b>	<b>12.3%</b>
<b>National Average</b>	<b>4.6%</b>	<b>\$ 42,148</b>	<b>11.3%</b>





## TOURISM & THE REGIONAL ECONOMY

The economy of the BRNHA is diverse. Historically, both agriculture and manufacturing have been of some importance. There are currently over 1200 manufacturing companies within the 23 county region served by AdvantageWest (all of the BRNHA except Surry and Yadkin Counties). The region includes vital health care, technology and financial services sectors and numerous educational institutions (the University of NC Asheville, Western Carolina University and Appalachian State University, as well as a number Community Colleges and private institutions).

Yet tourism has long played a key role in the region and continues to be critical to economic vitality. Recent research supported by the BRNHA (Evans et al, 2006 and 2007) has provided some important baseline data about tourism in the region. The study divided the BRNHA into three regions - the Smoky Mountain, Blue Ridge, and High Country host regions. Approximately 11.3 million visitors made 21.5 million total visits to the region in 2004. Spending from tourism contributed over \$2.8 Billion to the economy of the BRNHA in 2004, about 60% of this in the Blue Ridge host region consisting of Buncombe and the surrounding nine counties (Table 4-6). This spending accounted for the creation of approximately 46,000 jobs in the region. Over 1,300 businesses directly associated with tourism existed at the time of the study serving these visitors.

A 2006 survey funded by BRNHA (Evans et al, 2007) found that enjoying the scenery of the area and participating in outdoor recreational activities were the primary activities engaged in by about 57% of tourists visiting the area in 2006 (Table 4-7). Relatively few individuals listed music, craft, Cherokee or agriculture as the primary reason for their visit. NC Department of Commerce data indicate that National Parks in the NC mountains received 15 million visitors in 2006, while state park visitation was approximately 2 million (NCDTFSD, no date)



Table 4-6:  
Economic Impact of Tourism in Three  
Regions of the BRNHA, 2004

Regions of the BRNHA*	Tourism \$ Spent in the Local Economy			# of Tourism Industries	# of Visitors	# of Jobs Created
	Direct Impact	Secondary Impact	Total Impact			
Smoky Mountain Host	\$ 329 Million	\$ 135 Million	\$ 465 Million	225	1,760,000	7,407
Blue Ridge Host	\$ 1,151 Million	\$ 550 Million	\$ 1,701 Million	931	6,081,000	27,145
High Country Host	\$ 466 Million	\$ 205 Million	\$ 671 Million	161	3,537,000	11,362
<b>Totals</b>	<b>\$ 1,947 Million</b>	<b>\$ 891 Million</b>	<b>\$ 2,838 Million</b>	<b>1,317</b>	<b>11,378,000</b>	<b>45,914</b>

Source: Evans et al, 2006

\* Smokey Mountain Host includes: Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain Counties

Blue Ridge Host includes: Buncombe, Burke, Henderson, Madison, McDowell, Mitchell, Polk, Rutherford, Transylvania, and Yancey Counties

High Country Host includes: Alleghany, Ashe, Avery, Caldwell, Surry, Watauga, Wilkes, and Yadkin Counties

Table 4-7:  
Primary Activities Reported by Visitors, 2006

Primary Activity	Percent
Scenic Drive/BRP	32.2%
Outdoor Recreation	24.7%
Historic Sites	16.8%
Cherokee Activities	3.0%
Craft Activities	2.7%
Music Activities	1.8%
Agricultural Activities	1.6%
Other	17.3%

Source: Evans et al, 2007