



**A Strategic Plan for Region B, North Carolina
(Transylvania, Henderson, Buncombe, Madison Counties)**

REGIONAL PROFILE/INVENTORY

Funding Provided by:

- **U.S. Department of Commerce Economic Development Administration**
- **AdvantageWest, Inc.**
- **North Carolina Rural Economic Development Center**

May 22, 2002



Basic Demographic Picture of the Region

- The region's population from 1990 (286,579) to 2000 (344,472) increased at a high rate (20.2%), nearly as high as the state increase (21.4%) and significantly higher than the U.S. (13.2%).
- Population rates of increase are projected to slow in the next two decades for the region, state, and U.S.
- Henderson County's population growth rate has consistently outpaced that of the state and the region, while Madison County's population has started to grow after a long period of population loss or stagnation.
- Population density in our region as a whole is slightly higher than NC in 2000.

Fig. 1.1 Region B Population (1950-2020)

Source: U.S. Census Bureau, NC Office of State Planning

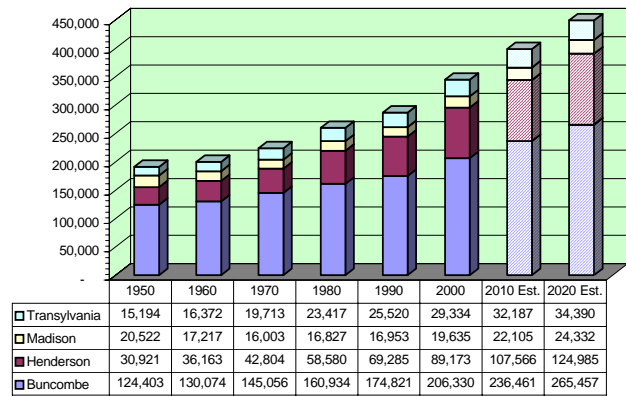
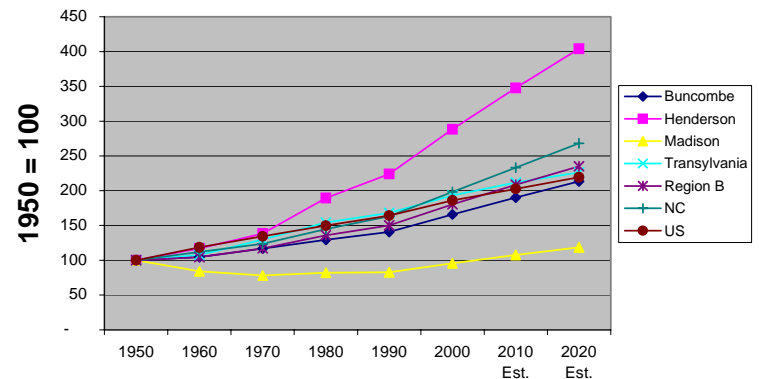
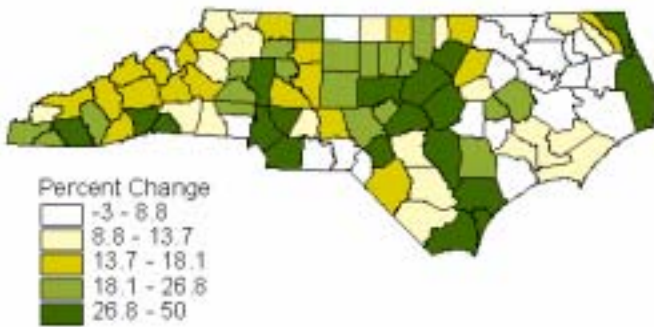


Fig. 1.2 Population Change Indexed (1950 - 2020)

Source: U.S. Census Bureau, NC Office of State Planning



Percent Change in Population 1990 to 2000

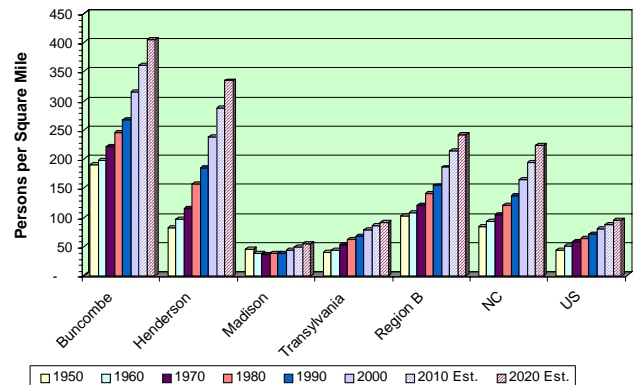


Population in 1990 is taken from unconnected source on 1990 Summary Tape File 1.

Produced by the NC State Data Center

Fig. 1.3 Region B Population Density (1950-2020)

Source: U.S. Census Bureau, NC Office of State Planning



Basic Demographic Picture of the Region

- The segment of the region's population that increased most from 1990 to 2000 was the 45-54 age group (3.3 points – 18,000 people). The segment that grew the least in the region was the 25-34 age group and its portion of the total population fell nearly 2 points.
- The region's 65+ population segment remains a larger portion of the total population (17.6%) than that of the state (12.0%) and U.S. (12.4%). The population distribution is most heavily weighted towards the 65+ group in Henderson & Transylvania Counties.
- The racial composition of the region has changed slightly on the whole, but due to a significant increase since 1990, the Hispanic population is nearing that of the African American population. However, both are still a small percentage of the region's population.
- In 1999, per capita income in the region (\$28,655) was slightly above that of NC (\$28,266), but below that of the U.S. (\$30,544). Madison County's PCI continues well below the region, NC, and U.S. averages.

Fig. 1.7 Region B Per Capita Personal Income in 2001 dollars (1970-1999)

Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics

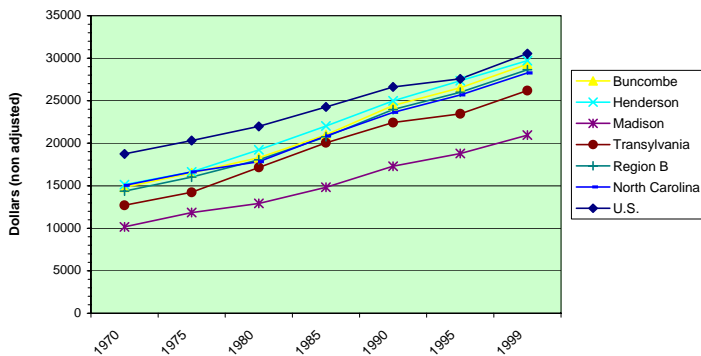


Fig. 1.4 Region B Population Age Distribution (1990)

Source: U.S. Census Bureau, NC Office of State Planning

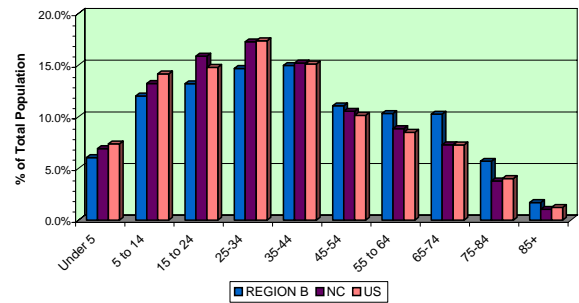


Fig. 1.5 Region B Population Age Distribution (2000)

Source: U.S. Census Bureau, NC Office of State Planning

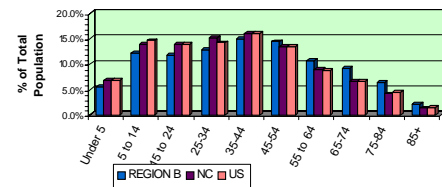
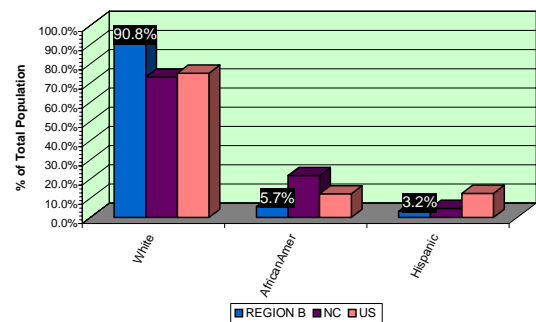


Fig. 1.6 Region B Population by Race (2000)

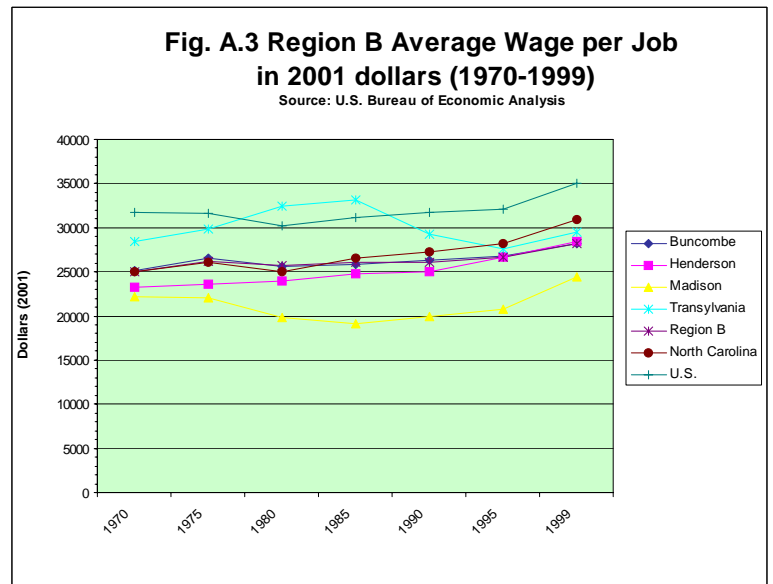
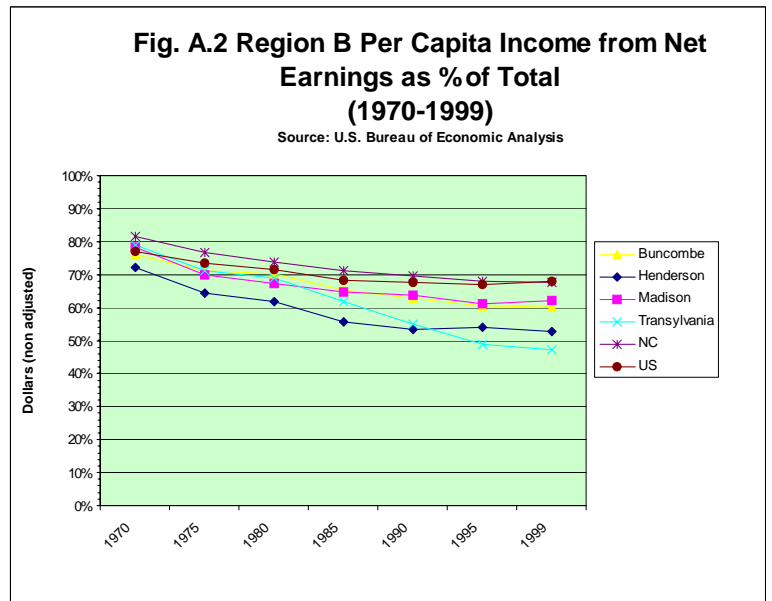
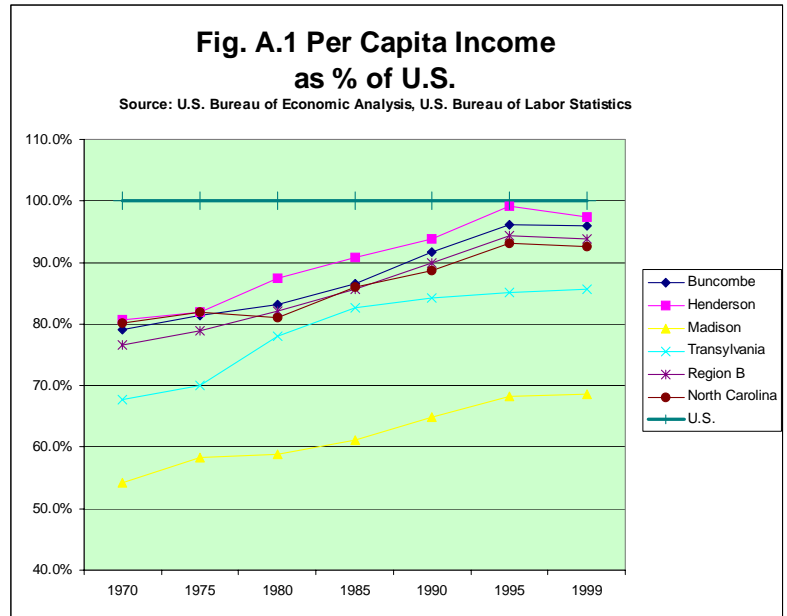
Source: U.S. Census Bureau



We desire that all the citizens in the region (and their future generations) can financially afford to live here.

1st Component: Income and Earnings

- Since the 1970's our region's per capita income has been closing the gap between NC and U.S. However, from 1995 to 1999 the trend reversed and the gap increased slightly (except in Madison and Transylvania Counties)
- However, that per capita income figure doesn't show the different components of income. A higher portion of our region's per capita income comes from transfer payments, interest, dividend, and rent. The labor earnings portion of the per capita income figure is lower than in the state and U.S. and the difference is growing.
- This relates directly to the average wage per job in the region. Average wage per job is lower in all counties compared to NC and the US. This gap is increasing between the region and NC.



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1st Component: Income and Earnings

- Employment & wages by sector sheds some light on the direction of the regional economy. In 1970, the largest sectors were **manufacturing**, followed by **services** and **retail trade**. In 1999, the largest sectors were **services** followed by **retail trade** and **manufacturing**. From 1993 to 1999 the shift to services from manufacturing was significant (manuf/services 23/24 to 27/19). For comparison, in NC the percent of service & manufacturing jobs in 1999 were 27% and 17%, respectively.
- The average annual wage paid in the two largest sectors, services and retail trade, have two of the three lowest average annual wages per worker. Manufacturing, on the other hand, is the third highest paying sector.
- The services sector includes low skill, low paying and high skill, high paying employment. In 1999, Health care employment was 37% of the sector with an average annual wage of \$34,547 -- 134% of the average in the sector. While the fastest growing subgroup, business services, made up 18% of the sector with an average annual wage of \$18,420 -- only 72% of the sector's average.

Fig. A.4 Region B Employment by Sector 1970

Source: U.S. Bureau of Economic Analysis

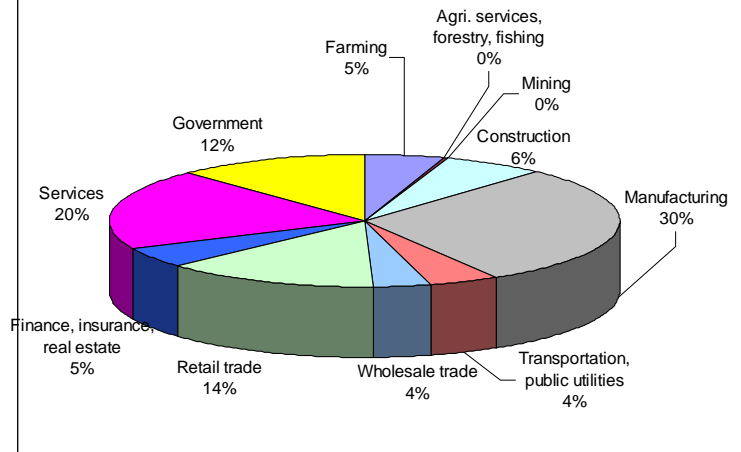


Fig. A.5 Region B Employment by Sector 1999

Source: U.S. Bureau of Economic Analysis

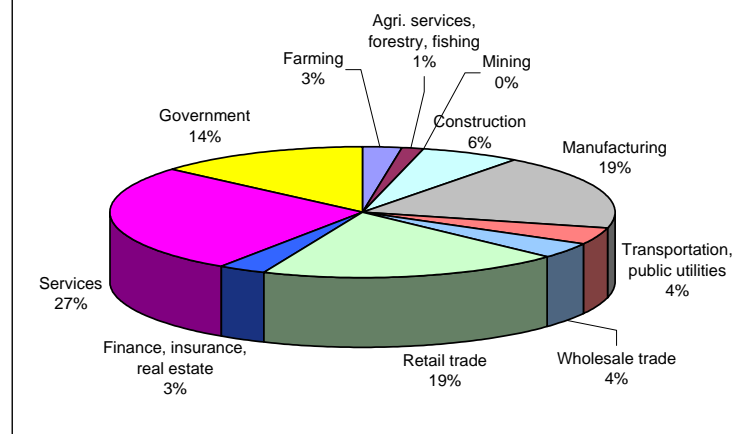


Fig. A.7 Region B Service Sector Employment (1999)

Source: U.S. Bureau of Economic Analysis

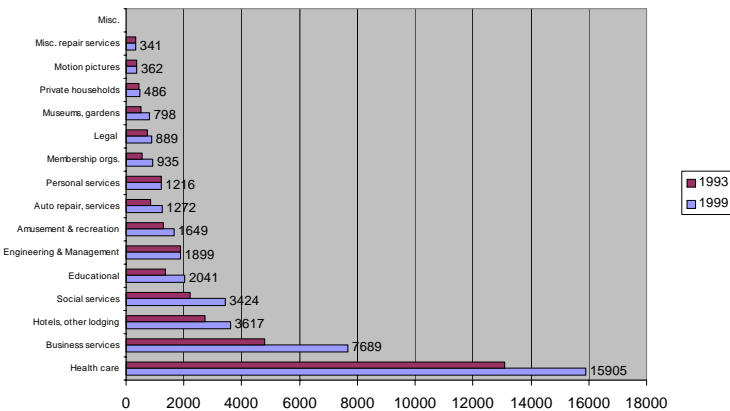
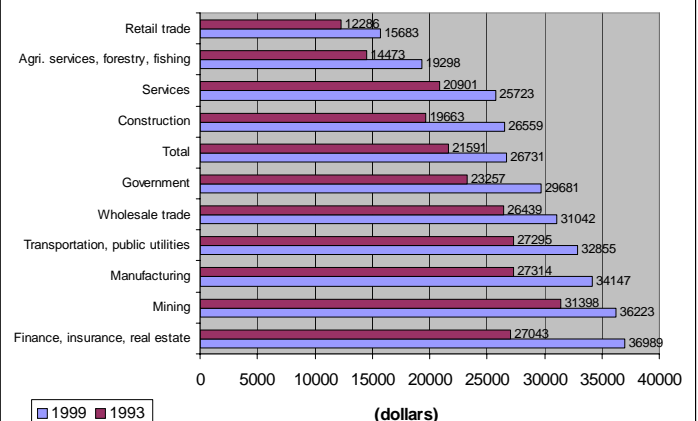


Fig. A.6 Region B Average Annual Wage by Sector 1993-1999

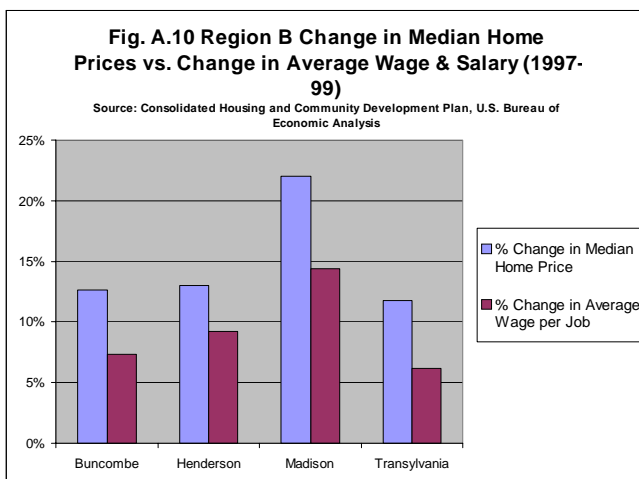
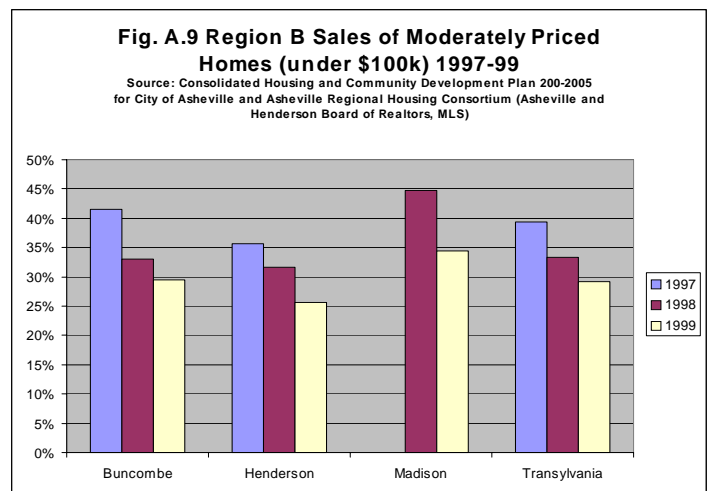
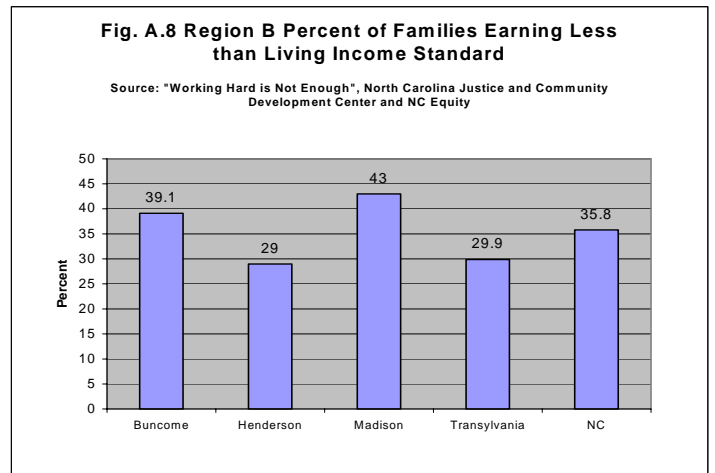
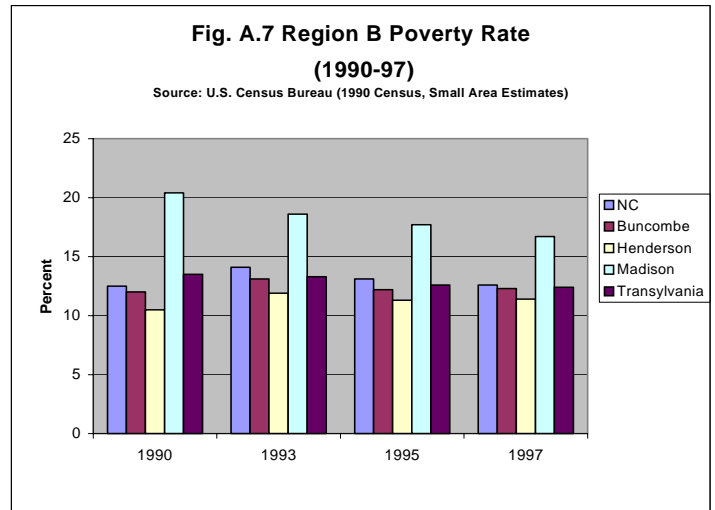
Source: U.S. Bureau of Economic Analysis



We desire that all the citizens in the region (and their future generations) can financially afford to live here.

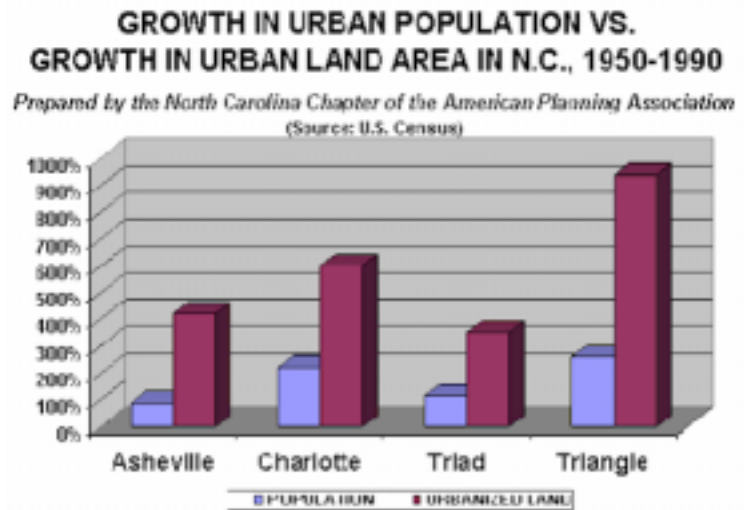
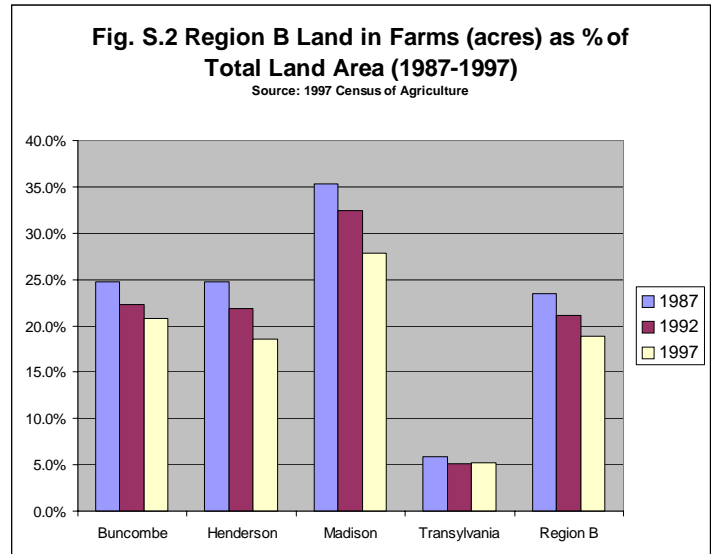
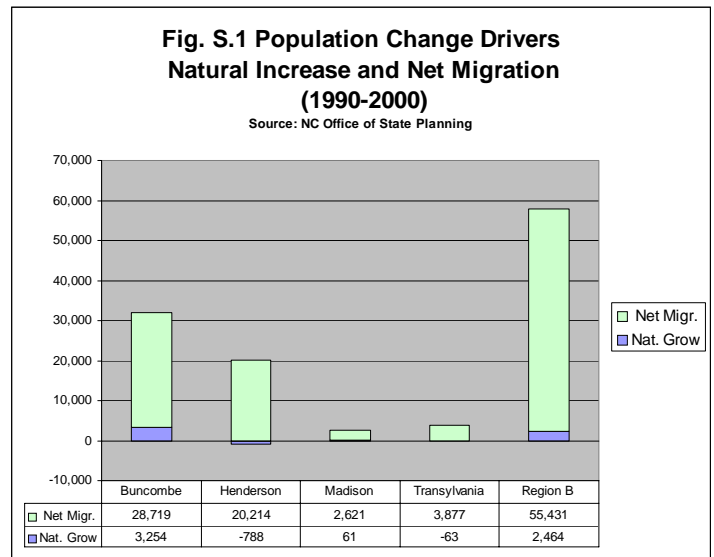
2nd Component: Expenses -- Cost of living

- The % of persons living below the federal poverty (used to determine persons ability to obtain basic living necessities) has remained flat in the region since 1993 and is nearly the same as for NC. But, Madison County's poverty rate has fallen significantly. However, the poverty rate among children (ages 0-17) has increased slightly in all counties except Madison.
- Since the federal poverty level was established in the 1960's, the costs of non-food items (housing, utilities, health care) have grown to a much larger portion of total basic necessities. According to a study by the NC Justice and Community Development Center and NC Equity, more than 1/3 of all families in NC do not make a living wage.
- Housing costs are on the rise in the region. Sales of moderately priced homes (under \$100k) as a percent of total home sales have decreased steadily in the past few years.
- Comparing changes in median home sales prices to changes in average wage per job from 1997-1999 shows that wage increases are not keeping pace.



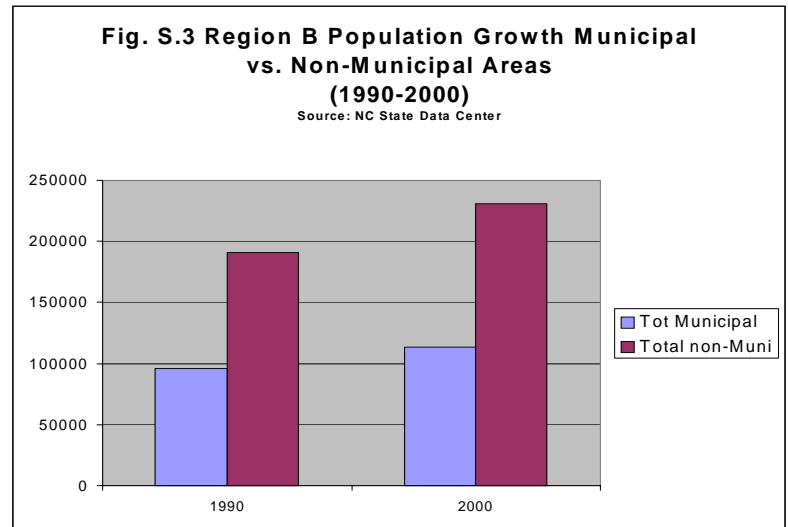
We want our region to have a "sense of place" about it. We want it to have a unique or special identity to us. We also want to feel a connectedness to where we live.

- Population growth due to natural increase from 1990 to 2000 was a small portion of the increase. **96%** of the region's population growth was due to immigration. Only 71% of the state's growth came from immigration.
- Given the region's lower wages compared to the state and nation, and the high cost of living, especially housing, why are so many people moving to the region?
- Some of the other possibilities that draw new residents are the mild climate, recreational opportunities, lower population density, less traffic congestion, natural beauty, cultural amenities, rural character, special downtown areas, and the region's charming people, hospitality, and uniqueness.
- Many of these characteristics make up what we call "sense of place." It is what makes our communities worth caring about, protecting, and preserving.
- However, threats to this "sense of place" are increasing along with the influx of new residents.
- The physical landscape is changing rapidly as land in farms decreases steadily (-19.4% from 1987-1997).
- In the Asheville MSA, urban land area has increased 4.8 times as fast as the population since 1950 (Charlotte's urban land area only grew 2.9 times faster than population).



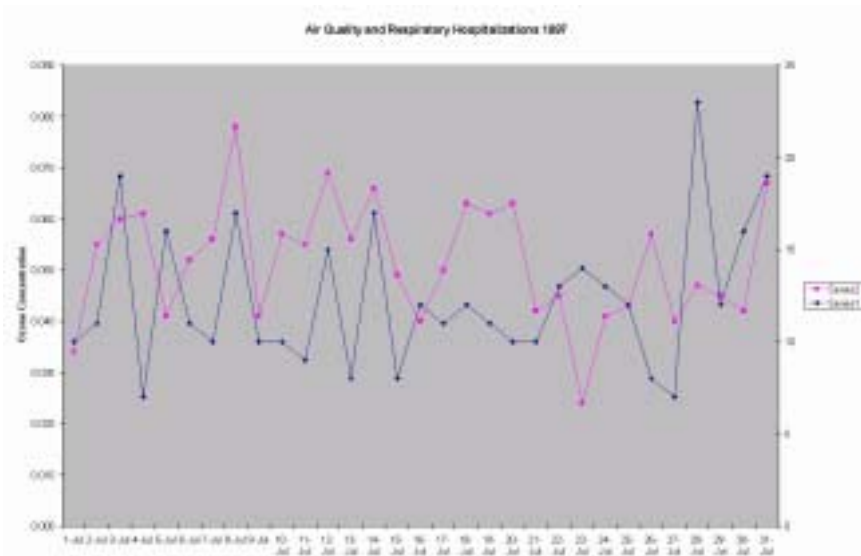
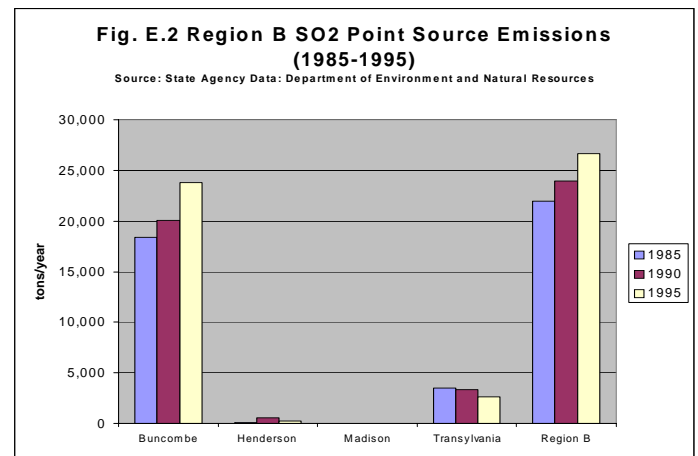
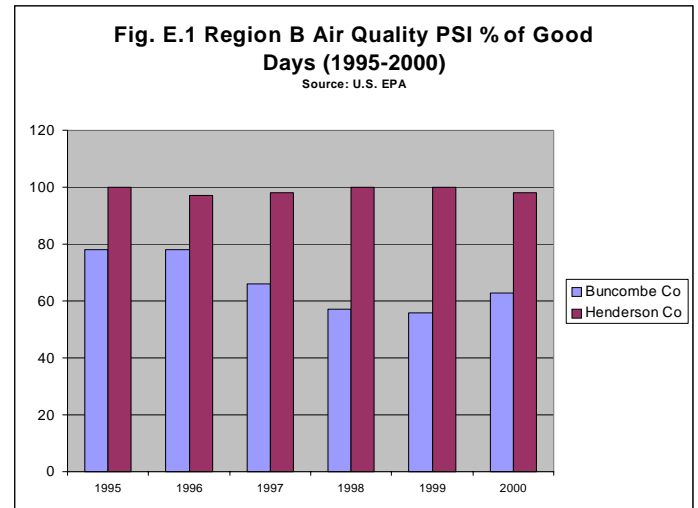
We want our region to have a "sense of place" about it. We want it to have a unique or special identity to us. We also want to feel a connectedness to where we live.

- Population growth from 1990-2000 occurred more in unincorporated areas (21%) vs. municipalities (18%). The landscape is becoming more suburban in areas. The fastest growing census tracts in Buncombe County were the farthest from the urban center (Fairview/Broad River, Leicester, Enka). However, population growth was also very strong in Asheville's central census tract.
- Development patterns, population growth, and growth in number of vehicles all contribute to the increase in vehicles miles traveled in the region. Annual vehicle miles traveled in NC is expected to increase from 58 million in 1990 to 105 million in 2020 (79% increase vs. 26% population increase)
- As retail sales volumes grow, national chain retail stores have come to the region and, in some cases, threaten the survival of local unique retail businesses.



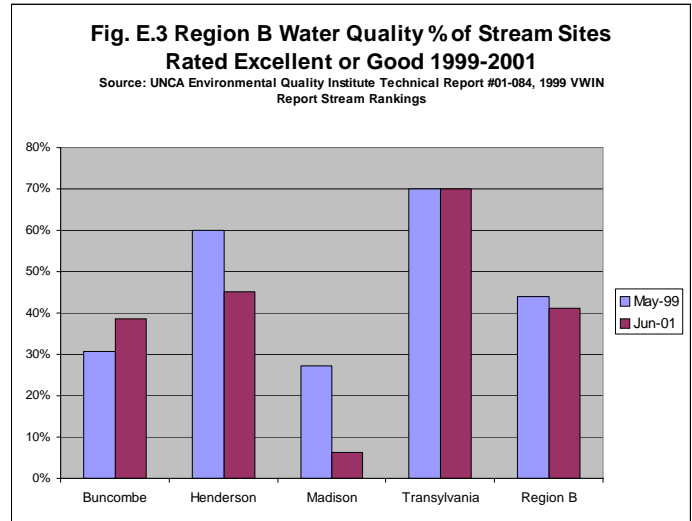
We want our natural environment to be of high quality and for people to have a healthy relationship to the land.

- Air quality in Buncombe County declined steadily from 1995-99, but improved slightly in 2000 as measured by the Pollutant Standard Index (PSI). The PSI in Buncombe County is based on measurement of both ozone and particulate matter (<10 um). The PSI in Henderson County is based only on particulate matter.
- Sulfates, organics, nitrates, carbon, and dust particles reduce visibility by scattering or absorbing light. Today visibility impairment in the Southern Appalachian Mountains region is largely the result of elevated levels of sulfates, which account for about 2/3 of the visibility loss. In the Eastern U.S., about 3/4 of the sulfates result from coal-fired power plants. The average visibility has decreased from 93 to 22 miles due to human activity. (SAMI -- *Visibility in the Southern Appalachian Mountains*)
- While sulfur dioxide emissions from point sources in the region has increased from 1985-1995, the elevated sulfate level in our air has origins from both within and from outside the region. A SAMI report, due at the end of 2001, should help to determine the origins of atmospheric pollutants in the region.
- Establishing direct causal links between human health and air quality is difficult due to problems controlling for other variables, such as smoking habits. However, one study measured hospitalizations in Buncombe County due to respiratory illness (blue line) compared to ozone levels (red line) during July 1997. (Source: WNC Alliance -- Alyx Perry)

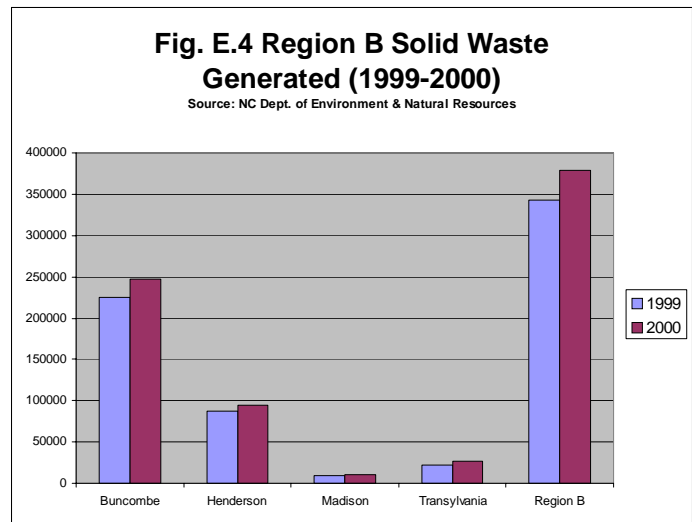


We want our natural environment to be of high quality and for people to have a healthy relationship to the land.

- Water Quality trends in the region show a small decrease in the percent of stream sites rated good or excellent from 1999 to 2001 (32 of 124). Stream sedimentation, the most consistent problem in the region, has improved in the past three years at many sites. The recent years of severe drought, undoubtedly have contributed to this change.
- High quality streams and rivers are valuable for tourism and recreation. One study found that recreational fishermen were willing to spend \$2.87 more per trip to fish in waterways with improved water quality (reduced phosphorous levels). That translates into annual impact of \$42.2 million dollars in NC. (Source: Daniel Phaneuf, NC State University, 2000 -- reported in **Business North Carolina** January 2001)
- Solid waste generated by each county increased at a faster rate than the population and the region's total increased 10% from 1999-2000. The waste generated per capita was 14% less than the NC (2198 lbs. vs. 2539 lbs. per person per year). The region sent 174,510 tons of waste to out of state landfills.
- The sector of the economy most vulnerable to environmental problems is Tourism. Tourism contributes a large number of jobs, payroll, and tax revenue to the economy. Just 5% reduction in tourism would have a large economic impact.



(millions)	\$26.27
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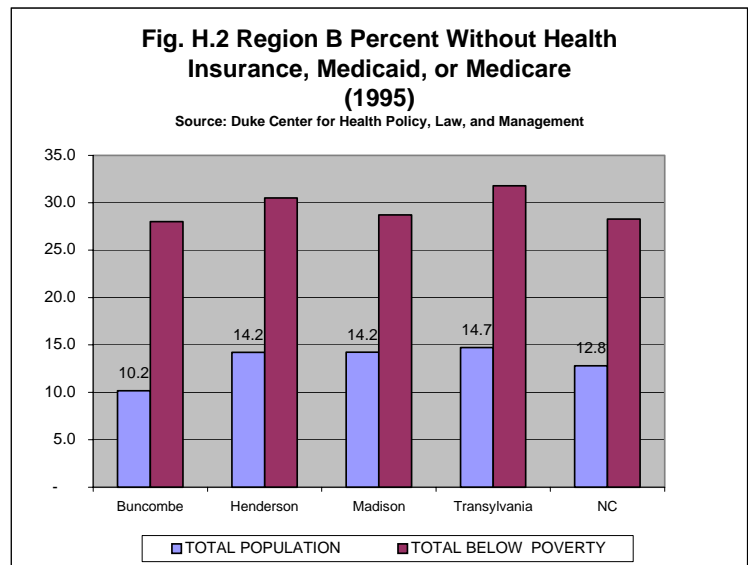
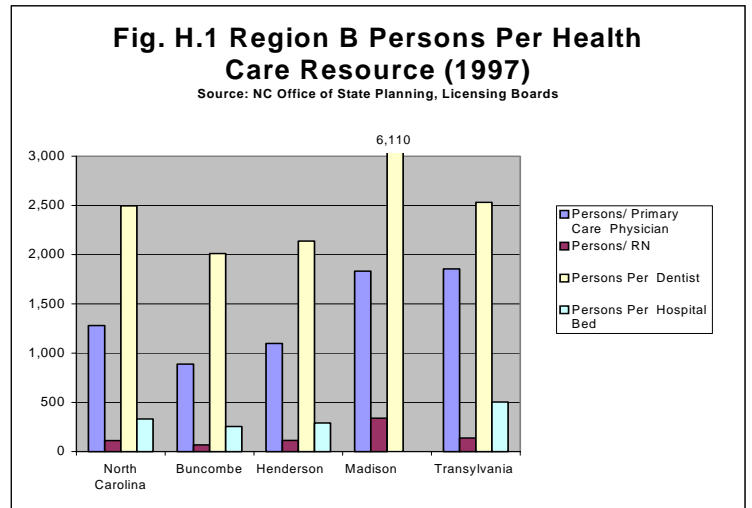
Region B Tourism Revenues (millions)	\$686.84
Region B Tourism Jobs	11,350
Region B Tourism job Payroll (millions)	\$186.89
Local Tax Revenue from Tourism spending	

**We want our urban & built environment
to be of high quality**

- While this issue is difficult to measure, there seems to be strong community and local government support for improving our urban & built environments as evidenced by a substantial list of projects either completed, in progress, or in the planning stages.
 - ◆ Pritchard Park -- Asheville
 - ◆ Fletcher Town Center
 - ◆ Hendersonville 7th Ave. Historic District
 - ◆ Grove Arcade
 - ◆ Hot Springs Bridge Street Plan
 - ◆ Mars Hill Gateway landscaping project
 - ◆ Brevard Rosenwald Community Redevelopment
 - ◆ Asheville Civic Center
 - ◆ French Broad River Park
 - ◆ Weaverville plan for property behind municipal building
 - ◆ Head of Montford
 - ◆ Pack Square
 - ◆ City County Plaza
 - ◆ New playgrounds
 - ◆ Brevard Focus 2020 plans
 - ◆ Biltmore McDonald's remodeling
 - ◆ Asheville's Urban Trail
 - ◆ others.....

We want to be healthy while living here.

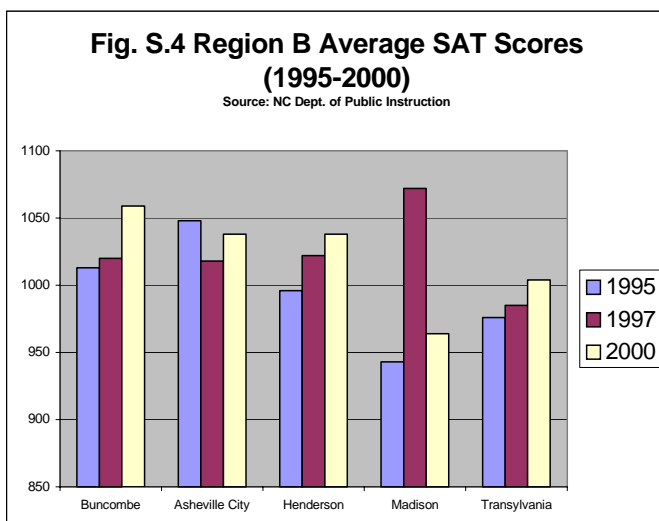
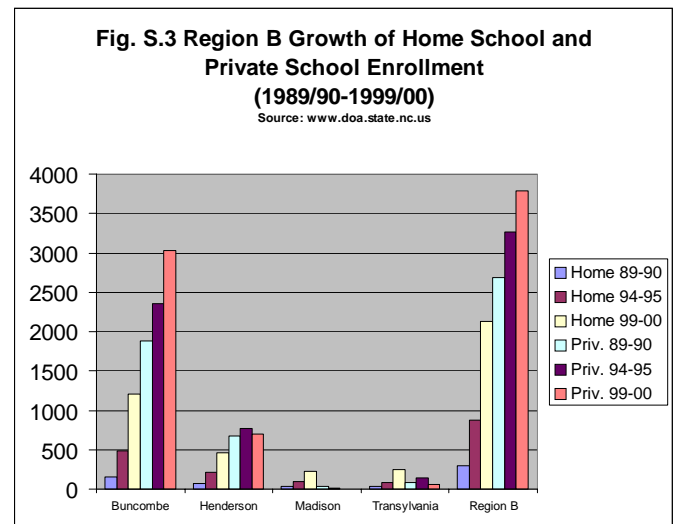
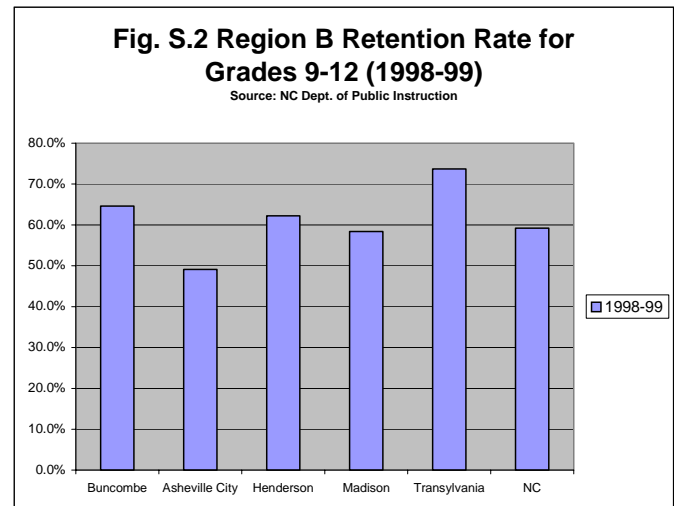
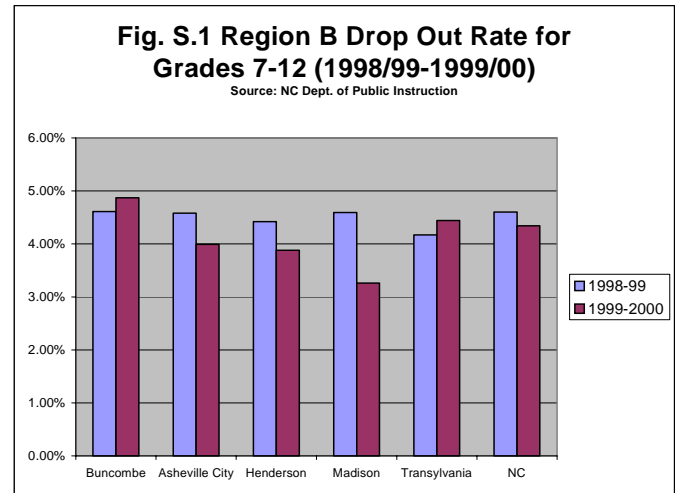
- Health care resources are in good supply in Buncombe and Henderson Counties as compared to the state. However, Madison and Transylvania have high ratios of persons per health care provider and hospital bed, indicating that they may have to travel to Buncombe and Henderson for health care services.
- However, access to health services remains a problem, especially for those without health insurance. Only Buncombe County had a lower uninsured rate than the state in 1995.
- In 1997-1999, the uninsured rate in NC increased to 15% of the general population. Of people at 200% or less of the federal poverty level, 27% were uninsured. Minorities were over represented in the uninsured population (Black- 22%, Hispanic 45%). Source: Kaiser Family Foundation State Health Facts Online.
- In Buncombe County, respiratory hospitalizations increased 19% from 1996-1998. Per capita adult deaths due to respiratory disorders increased by 40% from 1988-1997 in Buncombe County. Source: Alyx Perry -- WNC Alliance.
- According to the General Accounting Office's report, "Air Quality and Respiratory Problems in and Near the Great Smoky Mountains" (GAO-01-658 May 2001), age-adjusted death rates per 100,000 population due to Chronic Lung Disease increased significantly from 1991-92 to 1997-98 in Western North Carolina.



We want to positively develop social capital (people and organizations), inclusiveness and civic discourse.

- Drop out rates have fallen in 3 of 5 systems, but are above the NC rate in Buncombe (560 dropped out) and Transylvania County systems.
- Retention rates (number of 9th graders enrolled compared to number of students completing graduation requirements 4 yrs. later) show a larger gap of students not completing high school.
- Private school enrollment has risen steadily and home school enrollment has risen sharply over the past 10 years while remaining, combined, less than 14% of the total.
- Average SAT scores have shown a steady increase since 1995 in Buncombe, Transylvania, and Henderson County systems, but show no trend in the Asheville or Madison school systems.
- The % of adults with a high school education or college diploma in 1990 were:

	% HS	% College
Buncombe	74.5	19.1
Henderson	76.2	19.5
Madison	56.4	11.3
Transylvania	72.1	17.9
NC	70.0	17.4



We want to positively develop social capital (people and organizations), inclusiveness and civic discourse.

- In Region B, intentions of high school graduates were very similar to those of graduates in NC as a whole.

