

Proposed Economic Restructuring Strategy

Economic restructuring in small town revitalization is about change and how communities respond to change. It is the process of adding value to your community that in turn sustains the community. Economic restructuring may include new jobs, new or expanding businesses, improved streets and sidewalks, restored buildings, a new library, improved sewer and water facilities, or any number of things that add to a better quality of life. Regardless of specifics, it requires *cooperation* – working together with an understanding of where you are, where you want to go and how best to get there. To be successful, there must be a *vision* shared by all three sectors of the economy – public, private, and non-profit. The *private sector* must perceive a profit, marketability, and appropriate use of resources. The *public sector* must foresee community improvement advantages supported by a stronger tax base. And the *nonprofit sector* must see an opportunity to improve the social and cultural fabric of the community.

Downtowns represent an important tax base, in many cases the largest tax base in the community. They also represent a large employment base and ideal places for job development and new business start-ups. Downtowns also play a major role in a community's ability to successfully recruit new business and industry. While many communities have malls and strip shopping centers which are an important part in a community's retail climate, downtown remains the heart of the community. Downtowns are the cultural, financial, governmental and service center and often an important retail center. Downtown Marshall clearly is the window to your community, the window through which people judge your sense of being and self-image. This community sense of self often determines whether an individual or business makes a decision to invest in a community. For these reasons investing in downtown with both private and public dollars is in fact an investment in the whole community.

During the Resource Team visit, we were told over and over again by residents, property and business owners, newcomers and visitors that they liked the natural setting of Marshall overlooking the river and the small town character of the community. They relayed images of a bustling community in the recent past and lamented the loss of businesses, the general visual decline of the downtown area and the development of commercial activity on the by-pass. There was a sense of uncertainty about what to do. A brief look at changes in the economy may help provide a direction on how to respond to this uncertainty.

Five Periods of Marshall's Economic History

There are five distinct periods to Marshall's economic history, all influenced by the French Broad River canyon and the movement of people and goods through the mountains. The first period involved the development of stands or service areas along the Buncombe Turnpike to accommodate travelers and livestock on their way south. It was a classic example of a transportation route determining the location and development of a town and fostering the growth of an entrepreneur ethic. Travelers needed goods and services, such as food, lodging, skilled craftsmen to shoe horses and repair broken equipment, and a secure place to feed and rest their livestock.

During the second period, with the arrival of the railroad in the first part of the 19th century, commercial activity increased dramatically. By the early 1900's, communities across western North Carolina experienced a shift from an agricultural based, self-sufficient economy to natural resource extraction due to timbering and limited mining. This was followed by an influx of manufacturing, particularly wood products, paper, furniture, and textiles. The railroad provided an efficient and inexpensive means of transportation for exporting and importing products. Jobs were plentiful, requiring little experience and education. Small towns, like Marshall, flourished as the centers of trade, serving as the traditional government, retail, agricultural and service centers of the region.

In the 1930's, another significant change occurred with the advent of the Great Depression. As markets disappeared along with the movement of people and goods, people were forced to look for jobs elsewhere; many small communities became ghost towns. World War II and the building surge following the War, only added to the migration in search of jobs. This gradually slowed as firms moved to the region in search of lower wages and the revival of the timber/wood products and textile industries created by the pent-up demand following the War. The growth of a fledgling tourism industry based on outdoor recreation and mountain culture began capitalizing on the Great Smoky National Park, Blue Ridge Parkway, National Forest recreation, Cherokee Indian Reservation, and the TVA lake system.

By the 1970's, it was apparent that another significant change was taking place with the decline in the proportion of employment from the traditional manufacturing and natural resource sectors of the economy. For Marshall, the development of the interstate and secondary highway systems locally and throughout western North Carolina and the dominance of the trucking and automobile industry in the movement of goods and people was significant. As

The Town of Marshall, North Carolina

topography enhanced Marshall's competitive position in the past, it now became a detriment. It was less expensive and more efficient for trucks and cars to travel on the interstate highways, take the by-pass and by-pass Marshall downtown.

In the 1990's, the declining employment in textiles led to closings of numerous plants. This had far reaching impact with many factory jobs being replaced by service related jobs in tourism and retail. Throughout western North Carolina industrial plants that opened were in sectors such as automotive parts, heavy equipment, health care products and precision metal-working. Major shifts in many local economies have taken place as the region is experiencing what some historians call the third industrial revolution – the technological/information/knowledge revolution. For many workers, the location of their "office" is irrelevant. More and more people can live where they choose and communicate and produce electronically. This has numerous social and economic implications. The out-migration from large, nearby cities such as Atlanta and Chattanooga to small western North Carolina towns has led to increased population and a blossoming second home and retiree market.

Small farms are rapidly becoming archaic as farmland is taken by commercial development and farmers age beyond productivity. The impact of tobacco on the mountain economy has drastically changed due to social and political forces. Other crops are being tested to replace tobacco as an important source of primary and secondary income.

One important change in the mountain economy has been the rebuilding and rebirth of downtowns. Towns such as Hendersonville, Waynesville, and Sylva have been quite successful in repositioning the economic impact of their center cities. The region's largest city, Asheville, a 30-minute drive from Marshall, transformed its downtown from a "ghost town" to a thriving, multi-use regional hub. The arts – visual, performing, craft – have been an important part of that resurgence, with downtown Asheville hosting some 27 galleries within close proximity of the Vance Monument in 1999. Downtown-based attractions, such as the Asheville Civic Center, the Asheville Tourist Baseball Park, Pack Place, and the Urban Trail create magnets for downtown visitors and thriving businesses.

The rebirth of downtowns, the search for new economies beyond industrial plants, and the environmental movement have all fueled an interest in sustainable community development. The efforts of the small towns involved in HandMade's Small Towns Project are a part of the community sustainability movement.

The Town of Marshall, North Carolina

As the economy changes, communities must change to remain competitive. What does the future hold for Marshall economically? How can Marshall prosper and grow? One approach is to understand your resources, both physical and cultural, and match them with the growing trends in the economy. You did this in the past and you can do it in the future.

The Larger Context

There are four significant changes taking place in our economy which will affect the smaller rural community:

1. Globalization
2. Localization
3. Quality of life
4. Place

In each case, the small rural community becomes more, not less, important.

National markets are being replaced by global markets. The shift from a manufacturing-based economy to a service-based, tourist, information economy is a reflection of globalization and technological change. It allows businesses to move their operations overseas in search of cheaper labor markets and natural resource markets with fewer environmental restrictions. Small communities can be devastated by outsourcing and downsizing as firms compete globally.

However, as global markets demand uniformity and standardization, uniqueness and differentiation become more important. In terms of tourism, it means our market is now international and our product is what is unique and different about our community – its people, history, culture, and environment. As our large urban areas become less desirable places to live, people look to smaller communities as sources of nourishment.

Quality of life is perhaps the most significant variable in economic development for small communities of today. Small communities cannot compete for industry requiring large, trained labor forces; they can compete for owner-operated businesses. In attracting owner-operated businesses, the quality of the community is very important. In this post-industrial society, most people have their basic human needs satisfied and consumer goods and services are plentiful. With basic needs met, the individual looks for quality and uniqueness in goods, services and environment, as well as community. Small, close-knit communities, a

The Town of Marshall, North Carolina

cultural heritage rich in music, handmade crafts, and storytelling, plus a relatively unspoiled environment are very attractive to the global citizen and harassed urban dweller. Marshall is a community with these assets.

The relative low cost of transportation and communications have released individuals and businesses from being location dependent. Historically, transportation routes and natural resources were important in attracting industry and in the development of towns such as Marshall. As we move into a knowledge and information-based society, people can locate almost anywhere. Now jobs follow people or people take their jobs with them as they search for a "place" to live. Place becomes important in terms of its distinguishing qualities – what makes it different. It is the *differentiated* product in economics that commands a higher price.

What differentiates Marshall from other communities . . . what sets it apart and gives it a distinct identity? The Resource Team and interviewees believe it is the natural and built environment: a downtown sandwiched between the river and ridge, bisected by Main Street and the railroad. The natural beauty of the river and mountain ridges are obvious. However, what seems to be overlooked is the scale and architectural character of your buildings that tell the unique physical history of Marshall. Add to this the cultural history of the community represented by the Depot and the fledgling crafts industry and WOW! Marshall has many qualities that set it apart and make it special.

Marshall is well situated to take advantage of the changing economy. Globalization, localization, quality of life, and importance of place have reinforced the service and small business based economy as an economic development strategy. This new economy relies on food service, entertainment, cultural heritage, crafts, history, lodging, outdoor recreation, real estate, retail sales serving niche markets, local farmer's markets, travel, health care, financial services and information and technologically oriented businesses.

Economic Building Blocks

The approach to economic development in Madison County and most of western North Carolina has historically been recruitment of industry. This has involved the development and marketing of industrial buildings and certified industrial sites. Industrial recruitment has been an important part of an overall strategy, but a somewhat limited one due to the small amount of land available for large parcel industrial development. The very things that make our area attractive also prohibit traditional economic development.

According to MDC, Inc., (a Research Triangle, North Carolina-based nonprofit corporation that develops policies and programs to increase economic development and employment opportunity) economic development "is the process by which a community creates, retains and reinvests wealth." It is not solely the creation of industrial jobs. Further they state, "The goal of rural economic development should be to raise people's standard of living."

MDC puts forth four building blocks for economic development that will help generate community wealth for reinvestment and distribution, and thus help make community development possible. They are:

1. **Business Development:** programs and services for businesses and industries to encourage the creation and retention of quality jobs.
2. **Workforce Development:** education and training to ensure a top-notch workforce.
3. **Physical Infrastructure:** roads and bridges, water and sewer service, telecommunications, air travel, solid waste disposal.
4. **Social Infrastructure:** housing, health care, child care, social services and income support that enable a community to attract and retain citizens and support them as productive workers.

HandMade in America has learned through the Small Towns' program that a fifth building block, civic infrastructure, and a sixth, cultural and heritage infrastructure, are also key to rural economic development:

5. **Civic Infrastructure:** people working for the greater good of their communities to make them the best possible places to live and work, including reinvestment in their own and public properties.
6. **Cultural and Heritage Infrastructure:** preservation and restoration of the physical and cultural history of the community, preserving it for present and future generations.

The Town of Marshall, North Carolina

An economic development strategy that diversifies beyond industrial recruitment and embraces the six building blocks listed above has a much higher probability of success. For instance, a small business development economic development strategy provides an opportunity to take advantage of the explosion of growth in small, entrepreneurial businesses and reinforces the community. Small businesses often are owner-operated which tend to recycle money back into the community. They also support the community by being a direct participant in the life of the community — schools, churches, and community organizations.

Tourism/Service as an Economic Development Strategy

The argument supporting tourism as a viable economic development strategy is that it stimulates new business, creates new jobs, increases the tax base, and is perceived as being environmentally safe. The counter argument is that it provides low paying seasonal jobs, destroys the local culture, degrades the natural environment and puts a strain on the local infrastructure while increasing the cost of living. Both arguments are valid. The same arguments applied to traditional manufacturing and natural resource development in the first half of the century. The key is to achieve some type of balance and control.

Tourism is the number one industry in western North Carolina and is predicted to be number one in the state by the year 2000. The majority of visitors to the mountains tend to be solidly middle class, two-earner families, covering all age groups depending on the area visited. They generally take shorter trips and travel over weekends, wanting to escape a busy urban life, enjoy the scenery, and relax. They are very interested in quality lodging and food, and availability of things to see and do near where they are staying with a focus on the natural environment and outdoor recreation. The other visitor to the mountains, who is seeking the same things, is the relatively well-off retiree, who stays longer and often invests in a summer home, which has created a sizable second home market in construction and attendant services.

Historic preservation, heritage tourism, an emphasis on quality and uniqueness, and the natural environment all receive high marks by today's "baby boomer" leisure traveler. A 1995 National Trust for Historic Preservation study on heritage tourism showed the single greatest motivation for travel in the 1990's is "understanding culture." Fifty percent of travelers interviewed said "cultural, historical or archaeological treasures were important factors in planning a trip." The study, *Profile of Travelers Who Participate in Historic and Cultural Activities* (1997), found that heritage tourists spend an average of \$615/trip

The Town of Marshall, North Carolina

compared to \$425 for all U. S. travelers. They take longer trips, include multiple destinations, participate in more activities, and stay more often in hotels, motels, and bed and breakfast establishments.

In a publication of the National Trust for Historic Preservation, a question is asked, "What makes heritage tourism work?" The answer involves five principles to create sustainable heritage tourism:

1. Focus on authenticity and quality of experience.
2. Preserve and protect resources.
3. Make (heritage tourism) sites come alive.
4. Find the fit between a community or region and tourism.
5. Collaborate.

Marshall would benefit by keeping these principles in mind.

The region is moving toward a tourist market that emphasizes:

- The unique rather than mass-produced.
- Development based on human scale.
- Authentic as opposed to artificial.
- Oriented toward meaningful experiences.

All these factors point to the resources in communities such as Marshall – culture, history, and natural environment. What does this mean for Marshall?

While tourism stimulates small business development, it alone cannot be the source for business development. An economy completely dependent on tourism as its economic development strategy is just as vulnerable as one completely dependent on traditional industry. Tourism based on theme parks and outlet operations, such as Pigeon Forge, are no different than the large industrial towns created in the late 19th and earlier 20th century. Both destroy community and local culture through large scale, mass-produced images, and structures.

But tourism based on the preservation of the natural, built and culture environment reinforces the local community and supports the development of small businesses that reinforce the quality of life – human scale, owner-operated, mixed, and niche markets. Tourism is not an end in itself. It is one way to recreate a local economy and sustain the local community. What does this mean for Marshall? The next pages contain strategies and recommendations that the Resource Team offers as beacons to light the way.

Recommendations

Downtowns are an important tax base and the cultural center of the community. They are ideal places for job development and new business start-ups and in many cases they represent the physical history of the community. Downtowns play a major role in a community's ability to successfully recruit new business and industry. Often they are a tourist destination. Downtowns are places where generations of residents have invested. Infrastructure is present; history abides. For these reasons investing in downtown with both public and private dollars is an investment in the whole community. What does your downtown tell you about your community? Does it project an image of pride that would encourage investment?

Prior to recruiting and attracting new businesses or enhancing existing business activity downtown, you must address the climate for investment. This involves creating an infrastructure – both financial and physical – that supports business development.

Parking

Recommendation: Create additional public parking.

The river, ridge, and railroad, although very important to the image and identity of the community, create problems of access and lack of support for retail and commercial activity. The automobile is a fact of life and must be accommodated to support downtown commerce. Currently, parking in downtown Marshall is unplanned and at a premium, particularly on a day when Court is in session. The Resource Team suggests the following actions:

1. Clearly delineate and re-stripe all parking spaces on Main Street and enforce a standard 2 to 3 hour parking ordinance. Install new signage. On-street parking should be for visitors, shoppers, and people doing business downtown.
2. The Town and County should pursue the purchase of the automobile dealership space adjacent to the Courthouse for public parking to serve the Courthouse and Town. The area should be landscaped with identifiable curb cuts to separate pedestrian and vehicular traffic. It should have time limits and be enforced.

The Town of Marshall, North Carolina

3. Town, County and private sector employees should be encouraged to park in designated locations, particularly on the backside of the buildings next to the railroad. These areas should be landscaped and signed to allow efficient use. The Town and County should identify pocket spaces that can be leased for municipal and county employees.
4. In cooperation with the Town, the revitalization organization should make an inventory of all vacant land in the downtown area that can be utilized for parking. There are several opportunities for landscaped pocket parking areas on back streets and at points interspersed throughout downtown. These pocket spaces can be leased for parking until such time as development is economically feasible. They should be clearly delineated as public parking and signed to provide easy access off Main Street. A map showing parking areas should be printed and included with promotional materials and distributed to all businesses and governmental offices.
5. With the redesign of the bridge and connector to the Island, there is a wonderful opportunity to create a welcome/information center on the Island with ample parking that can provide pedestrian access to Marshall. This could be all-day parking which would provide leisurely time to stroll, dine, and shop downtown.
6. All parking should be clearly marked and signed for easy access and direction.

Appearance

Recommendation: Clean, screen and green.

Prior to any serious attempt at recruiting or expanding businesses in the downtown area, the public and private sectors must begin an aggressive campaign of cleaning the streets and sidewalks, screening areas with trees and shrubs, and installing attractive trash receptacles. An on-going maintenance program should be inaugurated as part of the cost of doing business for local government and downtown businesses. Painting parking lines and pedestrian crossings, repairing curbs and sidewalks and adding attractive trash receptacles are inexpensive ways to make your downtown more attractive and show a sense of pride. Areas that beg for screening, such as the GTE switching station, should be inventoried and either be planted or contact made with the property owner to get them to plant. This is the heart of your community; provide the same care to the downtown as you do your own home.

One way to finance these activities is through a public-private partnership in the form of a Municipal Service District Tax. North Carolina allows the creation of a district to raise funds for specific purposes, such as sidewalks, landscaping, parking, and maintenance. The tax along with a contribution from the Town could be assigned to specific projects. This funding source has worked successfully throughout North Carolina due to a direct relationship between the tax and specific improvements. Investing in these improvements is a cost of doing business, public and private.

Recommendation: Establish an Appearance Commission.

The Town, in cooperation with the revitalization organization, should consider the establishment of an Appearance Commission composed of representatives from the organization, Town, County, downtown business and property owners and the community-at-large. The commission should develop non-regulatory guidelines or suggestions on landscape design, street furniture, plantings, signage, and lighting for the downtown and the three corridor entrances into town. Their products should be common sense suggestions that emphasize, honor, and build upon the cultural and physical history of the town. The Division of Community Assistance has experience that can be useful in this arena.

Recommendation: Develop a facade grant and low-interest loan pool to encourage building renovations.

In cooperation with Town government, the Appearance Commission and revitalization organization should begin an educational program regarding building improvements and code enforcement. The program should focus on incentives and cooperation rather than enforcement. (See page 60 of this report for additional information on educational pursuits about downtown.)

An incentive program should include two components: matching facade grants up to \$1,000 to encourage facade renovations, and a low-interest, discounted rate loan program among the banks with a minimum loan of \$25,000 for building/facade renovations. This approach has been an effective tool in Main Street towns and has provided incentives for hundreds of buildings to be improved. The two banks in Marshall have been involved with similar programs in other Main

Street communities and are willing to consider such a program. The Appearance Commission should play a major role in establishing design guidelines that encourage quality renovations. Loans or grants should not be released unless the owner agrees to abide by certain basic guidelines.

Recommendation: Develop and implement a business recruitment and retention plan for the downtown.

The revitalization committee should develop a marketing plan for the downtown area based on a retail market analysis of the town and county. A market analysis involves assessing the current condition of the district, determining the major opportunities that exist in downtown and the by-pass, assessing what consumers want and putting together a business development strategy. Copies of *Main Street News*, "Getting Started: Retail Market Analysis" and *Retail Market Analysis: Developing a Strategy* are good resources available to you.

The committee should seek assistance from the Madison Campus of the Asheville-Buncombe Technical Community College (AB Tech) and the Mountain Resource Center at Western Carolina University in developing the survey instruments and involving students in conducting and analyzing the surveys.

According to the Team's interviews, most residents and businesses have to leave the county to shop for basic goods. Not all goods can be provided in town given the size of the market, but niche markets can be developed, such as certain office and craft supplies, craft co-op, specialty pharmacy items related to herbs and compounding, and a small scale food market for specialty items. Penland's Department Store is an example of filling a niche with local produce. This could be expanded into a local farmers tailgate market downtown with the assistance of the North Carolina Cooperative Extension Service.

At a minimum, the market analysis should provide an inventory of existing buildings in the downtown area, including condition, square footage, type of business and merchandise, price range of goods and services currently offered, utilities and rate, tax valuation and rental rate/square foot or owner-occupied. Also, vacant land suitable for development should be identified with price, suitability for development and availability of utilities.

The Town of Marshall, North Carolina

Often when the prospect of filling vacant space comes to mind, the first thought is: recruit a new business to come in. Research shows the most effective strategy for filling space is the retention and expansion of existing businesses. Existing businesses that increase their sales are the most effective marketing strategy for filling downtown space. Eventually those businesses will add product lines, open a back room operation, expand their hours, or invest capital in a new business. The first order of filling space downtown? Retain the businesses currently in downtown; if they fit the market, help them grow.

Based on the market analysis and changes in the market, such as the growth in tourism and second home market, existing businesses should be encouraged to add or expand product lines. Some stores have existing space that is under utilized which could be developed at little cost. These spaces provide an opportunity for crafters/artists to develop studios as well as living space, such as Doug McKinsey's studio on Main Street that makes props for movies and commercials. The relatively low cost of space downtown could also be used to encourage existing owners to expand or divide their store space for compatible businesses or specialty niche markets.

Currently, the existing space commercial use in downtown Marshall is heavily weighted toward government with a significant percentage of vacant or warehousing. The latter is an example of under-utilized space more suitable for retail and service that can generate a greater return on investment.

Once the inventory has been conducted and plan devised, the revitalization group should recruit a small group, perhaps three people, to serve as "ambassadors" for the downtown. The ambassadors would be advocates for downtown, knowledgeable of the inventory, aware of businesses for which there is a market, and willing to make "matches" between buildings and businesses. It is not enough to make the plan; you have got to work it! While the most likely place for new business is among existing businesses or local people, the ambassadors could also be responsible for making contact with businesses that might be recruited to come to town.

The opportunities for business in downtown Marshall will fall into the category of niche or specialty markets, which can take advantage of heritage tourism, dining and entertainment, bed and breakfast lodging, handmade crafts, art, and outdoor recreation. The traditional mass-market businesses-food, clothing, lodging and some service businesses, will most likely locate on the by-pass.

Downtown traffic will be pedestrian oriented and the by-pass will be automobile oriented. Both the downtown and by-pass have specific markets that complement each other. The revitalization committee should work closely with the businesses on the by-pass in order to maintain linkages that attract visitors downtown.

Recommendation: Discourage sprawl development on corridor entrances and the by-pass.

The most beneficial physical arrangement for business is to be clustered near other businesses. This is also the most environmentally friendly arrangement. For downtown to succeed, there must be a reason for people to go there. Avoid development that dilutes the impact and extends the reach of the town center beyond its current boundaries. The "doughnut effect" of an active, over-built periphery and a vacant, dead center should be avoided at all costs.

The Town of Marshall should enforce its Extra-Territorial Jurisdiction and adopt a proactive annexation policy to preserve, protect, and enhance the entrances into town and the downtown area. With an expected increase in real estate development, the Town needs to develop a consistent policy regarding strip commercial development along corridor entrances to downtown and the by-pass. The policy must include the means to enforce and implement it. Landscaping and planted buffer zones will enhance the appearance and value of development along the by-pass and provide important linkages to Marshall. The active use of the Appearance Commission's power to set guidelines based on incentives can help influence development. The Division of Community Assistance is available to help with the development of annexation guidelines.

The impact on downtown of placement of physical infrastructure, particularly water and sewer lines, is direct and should be considered. Making physical infrastructure available outside the concentrated center will pull development to it and almost overnight the "doughnut effect" will be in place. Extending these services down main traffic arteries will encourage "strip" development along those roadways. Highway design, similar to sewer and water lines, has a major impact on determining the pattern of development. Traditionally, multiple lane roads have contributed a great deal toward commercial strip development at the edge of most towns. Fortunately, state highway departments are beginning to respond to creative alternatives that enhance the community. The recent TEA-21 highway grant program provides funds for enhancement such as landscaping and alternative forms of transportation such as bicycle paths. But — this only occurs if the "public" in public participation voices its concern. Two publications by the

Federal Highway Administration, *Flexibility in Highway Design and Community Impact Assessment, Public Involvement Techniques for Transportation Decision Making* provide examples of ways to tame the highway monster (to order, call 202/366-2065).

Recommendation: Create a National Register Historic District encompassing the downtown.

Marshall is unique – most of its downtown building facades are still intact and relatively unaltered. The designation of the downtown as a National Register District will allow building owners to take advantage of available state and federal tax credits when refurbishing their property. The availability of tax credits will increase downtown property values by attracting buyers who are looking to invest in historic properties. The creation of a National Register District is probably the single most important step the Town can take in starting the revitalization process and encouraging heritage tourism. This step is discussed in greater detail in the design section of this report.

Recommendation: Encourage the purchase and redevelopment of the First Union Building.

The First Union building represents a unique opportunity to develop a mixed-use facility comprised of office (county and/or municipal) and residential space. With its location adjacent to the Courthouse, a renovated building could provide an opportunity for one-stop information regarding land records, building codes, etc. and other information vital to development. The revitalization committee should identify key leaders who have contact with First Union and explore various financial options to acquire the building. One example might be for the nonprofit revitalization organization to purchase the building and lease it back to the municipal or county government.

New Markets

Recommendation: Develop the retirement/second home market niche.

With the growth in the retirement and second home market in Madison County and western North Carolina, there are several business opportunities in home construction and support services to residents. Local businesses should expand or businesses should be recruited to provide services related to home construction and ownership, such as cabinetry/woodwork, landscaping and lawn maintenance, home exterior maintenance and repair, home winterizing, interior decorating, construction site clean-up, house cleaning, home furnishings and accessories, and security systems.

New residents also create a demand for general services such as restaurants, laundry/dry cleaning, shoe repair, computer/Internet and financial services. Restaurants and catering services are particularly attractive since the typical retiree and second homeowner eats out 3-5 times per week.

Opportunities to expand the health care industry also exist as retirees move to a new community. Often, they are moving to an area where they have few if any relatives and are dependent on services that can be purchased. Gaps should be clearly identified and businesses to fill them encouraged, such as home health care and home rehabilitation business, a transitional retirement facility or an indoor fitness and physical therapy facility. One of the fastest growing areas in the health field is preventive medicine oriented toward lifestyle changes emphasizing physical fitness, physical therapy, and nutrition. In smaller communities, cooperative arrangements with local government and private medical care providers can help finance fitness facilities or provide outreach services which can be located downtown. Many second home owners prefer to stay in the local area rather than travel to a nearby health care facility. Other types of businesses related to health care are the natural herb/homeopathic market, insurance billing service and medical assistance service.

A growing retiree and second home market also brings opportunities for developing successful niche products and specialty markets for agricultural products, including fresh cut flowers, native plants, organic fruits and vegetables, organic meats and herbs. Consider developing value-added agricultural specialty products such as jams and jellies, dried fruits and herbs, and other foods made

The Town of Marshall, North Carolina

from agricultural products; market them through local downtown stores, produce markets or a local farmers tailgate market. Not all of the businesses suggested here are suitable for a downtown location, but working with the by-pass creates an opportunity to cover several different markets that are complementary.

Recommendation: Capitalize on the outdoor recreation market.

The outdoor recreation market in the nation and region, as well as in Madison County, is growing, creating opportunities for successful business ventures. The French Broad River already supports several water sports businesses. At present, most of the activity takes place above and below Marshall due to the dams within the town's boundaries. However, this can be remedied with a portage trail around the dam connecting with the island. The trail would provide a unique opportunity for a welcome center, food service, and equipment rental and/or sale shop. With the redesign of the bridge, which should include pedestrian/bicycle access to Town, people can be drawn into Marshall.

While the outdoor recreation market brings visitors, it also provides recreational opportunities for local residents and attracts new residents to the area who decide the river and mountains provide a great place to live. This creates demand for additional lodging, restaurants, and shopping services oriented toward outdoor recreation. Development of the outdoor recreation marketing also stimulates entertainment opportunities such as the Depot or a local movie theater. The committee should work with the Town to renovate the recreation park at the edge of town. If done well, it would provide another reason to visit Marshall and complement natural recreation offerings.

Coordinated and accurate information on hiking and bicycle trails as well as guided fishing and canoe trips is essential. Publications should give detailed information about trail and camping locations, length and difficulty of trails, time required, supplies needed, guide services and equipment rental and purchase.

Recommendation: Continue the wise development of the Island.

The Island represents a unique corridor entrance to Marshall and provides readily available opportunities for outdoor recreation, crafts, and a welcome/educational/historical center. A development plan should be created to explore the best of mix uses for the elementary school building that will soon be vacated. Possible uses include a craft co-op (studio, retail, residencies), recreational businesses, theater, restaurant (using the cafeteria facilities), and a history/welcome center. Any plan should include parking with pedestrian access to Town and be compatible with the proposed island trail and picnic areas. The historical center could document the history of Marshall and the river in written and oral form using photographs, video, tools, and equipment pertaining to the railroad and Cotton Mill. If feasible, tours could be arranged of the French Broad Electric plant that demonstrate how hydroelectric power is generated.

Recommendation: Upgrade existing water and sewer facilities.

Although the existing sewer plant has excess capacity, the Team was told water capacity was limited and the Town was looking for a new water source. Obviously, maintaining adequate water is extremely important, including the replacement of old distribution lines and the elimination of water loss through leaks. The provision of sewer collection lines, particularly the line between [?] Rawlins and downtown, which has experienced increased pressure with the addition of the by-pass connector. The Town should ensure there are adequate financial reserves to cover maintenance and replacement of these basic services.

Recommendation: Develop and implement a tourism plan for the County.

At a minimum a tourism plan should provide an inventory of key tourism activity centers and related support activities that link the three communities in Madison County. The revitalization committee should work closely with the new Tourism Development Authority to insure the integration of downtown Marshall and the proposed National Register District. An inventory of existing tourism related businesses should include times of operation, types of activities offered, demographics of customer base and size of operation as part of an overall tourism market analysis in the county. The plan should also identify new markets, strategies for expanding business and joint marketing objectives. A tourism identity and key communication message(s) should be agreed upon and implemented. Part of the plan should provide an educational component defining

The Town of Marshall, North Carolina

the importance and limitations of tourism in the county. A-B Tech can provide assistance in addressing the issues of the hospitality industry. The same energy and equivalent leadership harnessed to bring industry to the county should be used in developing a viable and coherent tourism industry which enhances the cultural, environmental and physical history of the county.

Summary

Marshall has a rich cultural heritage, a strong sense of community pride, and active, committed leadership. These assets, combined with a beautiful natural environment, offer a unique opportunity to guide and direct future growth. This is a difficult task requiring a clear vision of what the community wants to protect, preserve, and develop. Success requires building and maintaining a consensus based on the desires of the community. Market forces are already at work that can and will, if left unchecked, dramatically change the character of the community. Marshall, as the commercial and economic center of the community, can demonstrate success by example, through a creative public-partnership that actively revitalizes its downtown.

Action Steps for the *Proposed Economic Restructuring Strategy*

1. Delineate and re-stripe all parking spaces on Main Street. Enforce a standard 2-3 hour parking ordinance.
2. Pursue the purchase of the automobile dealership building and space for public parking.
3. Inventory downtown assets – current parking spaces, potential parking areas, current businesses, building information, etc.
4. Establish an Appearance Commission.
5. Develop a façade grant and low-interest loan pool.
6. Adopt a pro-active annexation policy.
7. Create a National Register Historic District.
8. Encourage the purchase and redevelopment of the First Union bank building.
9. Capitalize on the outdoor recreation market.