

Arts, Culture, and Design in Rural North Carolina



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I. Introduction: The Potential of Creative Economies in Rural North Carolina

Much of North Carolina's rural economy is being challenged by a rapid loss of employment in traditional manufacturing base. Labor-intensive manufacturing had been the bread and butter of rural growth over the latter decades of the 20th century, turning a heavily agricultural economy into America's most industrialized state. Globalization, however, has cost rural North Carolina its cost-based competitive advantage. Newer technology-based industries such as biotechnology or information technologies hold some promise for rural areas but tend to be drawn to cities and are unlikely to replace many of the jobs that have been lost.

North Carolina's rural areas have other aspects of their economies, however, that have been overlooked and perhaps neglected by past economic development practices because they do not lend themselves standard forms of economic analysis. That is, the segment of the economy that has developed around particular creative and cultural assets of places and people. This creative element of rural economies contributes to growth in four ways:

- As local amenities that attract tourists, talent, and jobs and help retain youth
- As products and services that reach external markets
- As secondary income raising family incomes
- As new, more sustainable, sources of competitive advantage for traditional companies.

The first is the easiest sell and most obvious to local developers. Economic developers understand the need to influence the location of creative individuals and companies. Communities realize that they need to spruce up their downtown, celebrate their heritage, and provide sufficient venues for culture and entertainment. Tourism is increasingly a popular economic development strategy.

The second source of growth is the most frequently undervalued. Many of the creative enterprises in rural economies are missing from the databases used by economic developers because they are populated mainly by self-employed and part-time workers, suppressed micro-enterprises, misclassified under non-creative sectors, or informal micro-enterprises. Yet collectively, they may be a very significant part of many regional economies with growth potential. Taken together, these individuals and companies can make a significant contribution to non-metro economies but it requires a stronger lens to identify them.

Creativity is also a direct source of secondary income, for those struggling to make their art or craft a full-time job, to do something more fulfilling than their full-time employment, or to supplement income from an otherwise unsustainable enterprise, such as a family farm. In Montana, more than 700 farms or ranches earn income from creative pursuits or related tourism.

The last, art and design incorporated into products, is just beginning to affect the traditional employers of North Carolina, and consumer product companies are looking harder at product design in order to keep production at home. To achieve this potential will require a new mindset among manufacturers and a return to their craft-based roots. In addition to “*making things better*,” companies and the agencies that assist them will have to work at “*making better things*.” Success will depend as much on the design and aesthetic appeal of their products as productivity.

Assessing North Carolina’s Creative Economy

Regional Technology Strategies, Inc., under a grant from the North Carolina Arts Council, has been engaged in examining the scale and scope North Carolina’s creative economy. Under this grant, RTS has measured the size of the creative economy in North Carolina, looked for evidence of clustering within the state, and assessed the cluster’s role in the statewide economy. Several findings from this study made it clear that the state’s creative economy activities merited a more in-depth look:

Many more industries contribute to the creative economy than is generally thought.

While North Carolina’s creative economy includes most of the “usual suspect” artistic fields, many other industries, including some that are not considered artistic, are also playing a major role in driving the creative economy. Examples include woodworking, book publishing, and television broadcasting.

Original creative content in products provides a significant competitive edge for manufacturers.

Creative products and industries are not only those that sell an original creative artifact – but also those that incorporate creative content into their products and use this originality as a competitive selling point in the marketplace. These strategies bring more wealth to North Carolina and provide the state’s manufacturers with a potentially potent strategy for resisting the pressures of globalization: distinguishing their products in ways that tie them to the place in which they are made.

North Carolina’s creative enterprise cluster employs more people than many of its major industries.

The study used a dual definition – one relating to “core” industries and the other relating to “full” industries. Nearly 42,000 people are employed in the core creative enterprise cluster; 110,000 in the full cluster. The income generated by the jobs in the full cluster totals \$3.2 billion.

Commonly available data sources miss much significant creative and artistic activity.

This finding is perhaps the most significant of all for the purposes of the present case studies. It became clear during the analysis phases of the quantitative study that the data available from the North Carolina Employment Security Commission and the U.S. Census – though the best of its kind available – were not picking up all, or even most, of the activity in some of the core categories in the creative economy, such as independent artists and writers. Too much of this activity happens “under the radar” – either on too small a scale to register in these databases, or informally, so that it is not officially tracked in any database. Also, much artistic activity takes place in industries that fall outside the definition of the creative economy, causing the economic analyses to miss it.

These gaps in the data mean that a quantitative analysis, though necessary, is only the first step in determining the size, scale, and scope of a given place or region’s creative economy. Once the picture painted by these data are clear, it is necessary to layer on

information from other sources of data: local and regional sources of quantitative data, as well as qualitative data gathered on the ground. This is particularly true in more rural areas, which have fewer sources of quantitative data available for economic analysis.

This level of research is by its nature most effectively and usefully performed at the local level through an in-depth examination of the role of creative activities in the economy of a given place – that is, through a case study. The studies we have undertaken here seek to serve this purpose for three of North Carolina’s rural areas: Craven County in eastern North Carolina, Chatham County in the Research Triangle area, and Mitchell and Yancey counties (Toe River Valley) in the west. Each of these is non-metro but with different circumstances and opportunities, and each is at a different stage of its efforts to develop its creative economy.

Overview of the Case Studies and Lessons Learned

The economies of Yancey and Mitchell have been dominated by traditional manufacturing, but, largely due to the presence of Penland School of Crafts, also include significant contributions from a large community of artists and artisans. With much of the manufacturing now gone, the counties have had to think more about the economic potential of the arts. Chatham County is a relatively wealthy, and increasingly commuter-oriented, county adjacent to the Triangle. It, too, has a high concentration of artists drawn to the more rural and less expensive extension of the Metro area. Craven County’s strengths are its rich history and cultural assets and the county, with the help of the community college, is trying to further develop on its creative potential, especially among the talents of its minority populations.

Each of the three places provided interesting insights and yielded useful lessons. Mitchell and Yancey Counties have the most concentrated endowment of artists and artisan entrepreneurs and a very strong support system and social infrastructure anchored by Penland and the Toe River Arts Council. But the arts had historically been somewhat ancillary to an employment base built on traditional manufacturing. Now the two counties are trying to use this plethora of well-known artists plus an untapped base of untapped local talent to greater economic advantage in order to offset the loss of their traditional industrial base. The challenge facing the counties are a high level of residual competition between them that constrains cooperative ventures and an ambivalence about the changes necessary to attract tourists who would purchase crafts and services.

Craven County’s creative economy depends very much on the ability of its rich cultural heritage to attract tourism and retirees, and its efforts to develop its creative economy are not only aimed at further enhancing its attractiveness to tourists and retirees but also to increase the revenue from visitors and retirees. The arts council has a strong membership suggesting good support and there is a creative economy in Craven County composed of people who do not make their primary living from the arts. It tends to be supplementary and aimed at improving cultural amenities. The area does not have a very large full time professional arts community. Its major efforts now are aimed at working with the African American community to strengthen its part in the creative economy.

Chatham County, the most prosperous of the three locations, is looking to its creative assets to retain, in the face of encroaching urbanization and rising housing costs, much of the quaintness and cultural amenities that attracted many of its residents. It looks to

the arts to both contribute to the economy and also maintain a distinctiveness that will support balanced growth and sustainable communities. Although the County is very close to Seagrove and is home to some of the outlying potters, much of its creative economy developed in the 1980s and 1990s as rural and more affordable locations for Triangle creative workers. Creative enterprises, supported by an Arts Council, the community college's new arts incubator, and regular arts events have become staples that attract consumers.

Although the areas studies are so different, we have been able to derive a few lessons about the functioning of creative economies in rural areas:

Design and arts activities link directly with a community's economic development goals and unique assets. Creative economy activities may be geared to attract tourists, attract new residents, attract other businesses to area, and improve the quality of life for all residents. Communities should tailor their arts-based economic development strategy and build on the unique elements in their area. For instance, Craven County is a community with cultural history and natural beauty. Yancey and Mitchell Counties pride themselves on arts and crafts heritage as well as natural beauty. Chatham County boasts a history of and wide range of artists and natural beauty in rural landscapes. Economic development professionals in the three cases illustrate a wide range of views on the value of arts in economic development. In Craven County, arts activities are considered a vital part of the area's tourism industry, one of three main drivers of the county's economy – yet the arts are not included in downtown development efforts or industrial recruitment. Yancey and Mitchell Counties experienced a shift in their community's view. Local economic developers acknowledge arts and artists in their area as having a role in recent economic development strategies. Chatham County has a history as a “county for artists” and enjoys an effective bridge between local economic development policy and artistic creation.

Creative economy strategies require involvement, cooperation, and coordination of many diverse organizations for successful results. Many diverse organizations may be involved in or leading creative economy strategies for a local community. This may include individual artists, artist associations, arts councils and commissions, economic development offices and local/regional partnerships, visitor and tourism bureaus, merchants associations, chambers of commerce, community colleges, and arts schools. The need for communication and coordination across sectors and partners is greater when many organizations play a role.

Cooperative projects undertaken through partnerships across organizations may include marketing/branding of arts in community, space for showcasing arts in central location, training or business education for artists, arts education or apprenticeship, community infrastructure to support impact of arts on community like lodging, restaurants, streets, renovations, and funding for arts and economic development activities.

Local organizations assume a range of leadership roles in the cooperative efforts. The Craven Community College offers arts classes, business training, and general advocacy for using the arts as an economic development tool. Craven County Convention & Visitors Bureau promotes the arts for tourism purposes, and the Craven County Arts Council supports local artists through a variety of services. In Yancey and Mitchell Counties, the Penland School of Crafts offers a major draw for visitors, arts education options, and a showcase and marketplace for artists. Peer networks are also very active in this area especially with marketing efforts, and the Toe River Arts Council is an active, respected, coordinated effort for both counties. Yancey County has an additional cultural commis-

sion that operates an arts incubator and other innovative projects to cultivate local arts into viable businesses. Chatham County has an active arts council, a notable local business community that provides public visibility to the arts, and an arts-based small business incubator run by Central Carolina Community College.

Each community has populations that have been untapped or not visible in the economic development strategies. In Craven County, the African-American community is becoming more active in the arts and arts-based neighborhood development strategies. Yancey and Mitchell Counties experienced a major shift in the community's view of local arts from the margins of the economy to the principal asset for the region. This shift was accompanied with an initial division between the arts community who relocated to the area and "native-born" artists, but both sides have since evolved in perspective. Chatham County's Latino population is not well represented in formal art organizations or art-based marketing of the county, yet presents a wealth of talented artists and artistic entrepreneurs.

Areas of Potential Policy Focus for Rural Creative Economies

Though clearly this study focuses on depth, rather than breadth, it nevertheless suggests some areas for policy and program consideration that could be valuable to many rural areas seeking to enhance their role of creativity and the arts in their local economies, as well as for states seeking to support rural areas in their efforts.

Help local rural communities expand their understanding of their own creative economies and how these can be leveraged to improve their overall economic fortunes. Although many small rural communities know that they are home to a variety of artists and artisans and value their presence, they have not yet thought extensively about how this artistic activity can translate into expanded economic activity. Most do not know how to examine the status of their own creative assets nor how to leverage them. Expanded opportunities for rural communities to understand what the creative economy is, and how it can be built upon in their own local economies, could do a great deal to help rural communities exploit their creative assets.

Build on this expanded understanding with competitive incentives for communities and regions to link the arts and creativity to economic development. In addition to lack of understanding of their creative economy assets, many of North Carolina's rural communities have simply not yet taken explicit steps to parlay this artistic activity into economic activity. Competitive grants programs or other funding incentives for enhancing the economic elements of the arts can not only catalyze economic growth, but also provide a laboratory for testing and demonstrating the potency of arts initiatives for local and regional economies. This model has been tried in other states: in Massachusetts, where the John and Abigail Adams Arts Program provides funding to regional arts-based initiatives that can demonstrate economic outcomes; in Ohio, where the Cuyahoga County Board of Commissioners created the Community Partnership for Arts and Culture, which awarded more than \$500,000 in 2005 for arts and culture programs based on measures of economic impact; and New Hampshire, where the Community Arts Development Grant Program funds partnerships that use the arts to catalyze economic development and community revitalization.

Expand and enhance the role of community colleges in the arts and creative enterprise. In many rural communities, the community college is the most central and most effective

institution at catalyzing local leadership to take new action for the community's future. These are the institutions that generally have the closest ties both to regional industry and other economic development players and stakeholders, and to the elements of the creative workforce that encounter the most difficulty in realizing economic benefit from their creative work (such as self-employed rural artisans and small manufacturers). As noted earlier, Central Carolina Community College has done a great deal to bring arts to the forefront in Siler City.

An example of another way for community colleges to promote the arts in their communities would be a revival of programs for visiting artists in community colleges. Evidence shows that a creative presence in schools can not only improve educational outcomes but also, by developing the college's expertise and connections to the regional creative industries, strengthen the school's ability to support creative economies. Another supportive program would be the creation of community college "cluster hubs" to serve as specialized centers for learning and implementation, (much like BioNetwork, the North Carolina Community College system's cluster hub for biotechnology). Different hubs, for example, might focus on (1) arts and design in manufacturing, (2) business skills for artists, artisans, and other creative workers, (3) entertainment-based programs.

Strengthen linkages between North Carolina's arts and artisan resources and its rural tourism markets. To the extent that North Carolina's rural communities are building on arts and creativity, they are doing so largely through tourism initiatives. Many, however, that are home to significant artistic and cultural activities lack the resources to effectively turn these activities into tourism assets. The entire state could benefit from greater coordination of and increased resources for plans to connect arts activities with tourism attraction. Examples could include expanding the network of arts and craft trails in the state to take in more communities and publicizing these more widely; putting more resources into helping smaller and more rural communities learn how to identify and build upon their most valuable arts-based tourism asset; and, to build upon North Carolina's rich history of traditional art and artisanship, expanding upon connections between arts-based tourism and heritage tourism.

II. A Case Study of Craven County, North Carolina

Introduction

"If we didn't have the arts, we'd be just like any other community in Eastern North Carolina."

Craven County is one of the State's richest in terms of its history and cultural heritage. Counties. To complement its historical assets in ways that improve its economic base, it is increasingly turning to the arts. The county and the small town of New Bern see the arts as a way to promote the region's twin economic engines of tourism and serving as a retirement destination. While the arts in Craven County may not yet be concentrated enough to be considered a "cluster," as they are in some places in the west or Piedmont parts of the state, the experience of Craven County offers some important lessons to communities hoping to integrate the arts into their economies in a more determined and sustainable way.

Craven County currently has 91,599 residents, with 21,368 living in New Bern. The county grew by 12.4 percent from 1990 to 2000, which while impressive, was far less than the state's overall growth of 21.4 percent. The county is growing at a relative slow rate this decade, having grown by just 0.18 percent in the years between 2000 and 2004.

Craven County has attracted a large retirement community, and therefore has both a greater percentage of residents born outside the state than the rest of North Carolina. In 2000, only 51.9 percent of Craven County residents were born in North Carolina, compared to 63 percent in the rest of the state, and 69 percent in rural counties. The retirement population of the County is also reflected in the number of residents over the age of 65 in the county. Table 1 shows that 13.2 percent of Craven County residents are over 65 compared to 12 percent in the state and 12.4 percent nationally.

Table 1: **Age of Population**

<u>Age of Population</u>	<u>United States</u>	<u>North Carolina</u>	<u>Craven County</u>
<18	25.6%	24.4%	24.5%
18-24	9.6%	10.0%	13.2%
25-54	43.7%	44.6%	40.2%
55<	21.0%	21.0%	22.2%
65<	12.4%	12.0%	13.2%

The population of Craven County has slightly more African-Americans and a slightly smaller Latino population than does the rest of the state. Table 2 compares Craven with both the US and state totals for the 2000 Census.

Table 2: **Age of Population**

	United States	North Carolina	Craven County
White	69.1%	70.2%	68.5%
African-American	13.7%	22.4%	24.5%
Latino	12.5%	4.6%	4.1%

Craven County’s total educational attainment figures are comparable to the rest of the state as shown in Table 3. However, as shown in Tables 3 and 4 there remains severe disparities between black and white educational attainment rates. Only 12.4 percent of African-Americans in the County have a college degree or higher compared to 31.9 percent of white residents.

Table 3: **Educational Attainment by Location**

Educational Attainment	United States	North Carolina	Craven County
Less than high school	19.6%	21.9%	17.9%
High School	49.7%	48.9%	55.0%
Associates or College Degree	21.9%	22.1%	21.3%
Post Graduate	8.9%	7.2%	5.8%

Table 4: **Educational Attainment by Race**

Educational Attainment	African-Americans	Whites
Less than high school	31.3%	12.9%
High School	56.3%	55.2%
Associates or College Degree	11.1%	24.7%
Post Graduate	1.3%	7.2%

The poverty rates for Craven County are similar to the rest of the state as well as having similar discrepancies between African-American and white residents. Indeed the poverty rate among African-American residents of the County is more than three times that of white residents.

Table 5: **Poverty Rate**

	Craven County Whites	North Carolina Whites	Craven County African-Americans	North Carolina African-Americans
Poverty Rate	7.7%	8.1%	27.2%	22.9%

The per capita income of Craven County is at a rate slightly less than North Carolina as a whole with the county's income level being \$18,423 compared to the state average of \$20,243.

The county does have a lower unemployment rate than the state; with 2003 figures showing the county a full percentage point lower than the state's average of 6.5 percent.

Economic Profile of Craven County

The county does have a significantly different economic mix than the rest of the state. Table 6 details Craven's industrial mix of employment compared to North Carolina as a whole.

Table 6: **Top Ten Industrial Sectors in Craven County By Number of Employees**

<u>Industry</u>	<u>Craven County Employees</u>	<u>% of County Employ.</u>	<u>NC Employees</u>	<u>Percent of NC Employ.</u>
Health care and social assistance	6,089	21.70%	438,502	13.14%
Retail trade	4,323	15.40%	441,768	13.23%
Manufacturing	4,102	14.62%	591,566	17.72%
Accommodation & food services	3,192	11.37%	297,641	8.92%
Construction	1,664	5.93%	209,292	6.27%
Professional, scientific & technical services	1,513	5.39%	168,141	5.04%
Admin, support, waste mgt, remediation services	1,493	5.32%	222,857	6.68%
Other services (except public administration)	1,360	4.85%	147,094	4.41%
Finance & insurance	819	2.92%	193,579	5.80%
Transportation & warehousing	802	2.86%	112,727	3.38%

As Table 7 shows, Craven has a much smaller manufacturing base than the rest of the state, with a much more prominent health care industry. This is not to say that manufacturing is not important to the county. Bosch and Siemens have plants in Craven County. The branch plant of Bosch is particularly important as it depends on local suppliers for its operation.

Another way to look at Craven County's employment base is to look at location quotients, which measure a county's concentration in particular sectors compared to that of a larg-

er area. A location quotient greater than 1 indicates a greater than could be expected concentration of employment.

Table 7 shows the sectors in which Craven County possesses such a location quotient.

Table 7: **Location Quotients in Craven County**

Industry	Number of Employees in Craven County	Location Quotient
Forestry, fishing, hunting, and agriculture support	256	5.50
Health care and social assistance	6,089	1.65
Accommodation & food services	3,192	1.27
Retail trade	4,323	1.16

It should be pointed out that the County's largest employer, the military, is not included in these calculations. The Naval Air station at Cherry Point has a dramatic impact on the County's community.

The relative concentration in both health care and accommodations are a reflection of Craven County's strongest economic drivers: as a retirement destination and as a tourism destination. As a tourism destination, Craven County is home to several attractions that draw visitors from around the state and across the Eastern seaboard. Attractions include: Tryon Palace Historic Sites and Gardens in New Bern, the site of North Carolina's first capital and New Bern itself, an extremely walkable and historic small downtown.

The Craven County's convention and visitors bureau estimates that the impact of travel on the county's economy was \$73.4 million. This figure was one of the highest of all Eastern counties that did not have a coastline. The bureau estimates that currently just under a thousand jobs are directly dependent on the tourism industry.

The retirement industry is growing as well, with significant amount of new building occurring throughout the county. Retirees are drawn by the community's high quality of life, warm climate and numerous recreation activities.

In both these areas, retirement destination and tourism, the arts are increasingly seen as playing a vital role. In terms of tourism, the arts are seen as a way to attract visitors to the community. For retirees, a vibrant arts community is another contribution to the overall quality of life issues that make Craven an attractive destination.

The Arts in Craven County

Statistically, Craven County may not appear to be a likely candidate for any study of the arts economic impact. A recent study for the North Carolina Arts Council did not necessarily point to Craven as a hotbed of either artistic activity. However, it should be pointed out that in comparison to other communities in the Eastern part of the state, Craven actually fares well.

There are several different ways to look at the numbers of artists residing in an individual county. According to the core definition of the creative enterprise cluster, which includes those industries in which most or all enterprises are depend on arts and/or artistic design, Craven County has 280 employees in the creative enterprise cluster. When the definition is expanded, Craven County has 513 individuals employed or self-employed in businesses classified as artistic endeavors.

It should be pointed out that this figure is separate from counts that are kept by local Arts Councils, which do not necessarily track artists who are engaged only in full-time artistic activity. The Craven County Arts Council has a membership of 580 but it also includes patrons and others non-artists.

As mentioned, the numbers in Craven County may not seem like much compared to other counties. Indeed, looking at location quotients to see the concentration of activity within the county, Craven does not have much of a concentration relative to the rest of the state. However, it does have one of the largest concentrations among Eastern communities. As Table 8 shows, Craven County has a relatively strong concentration of total employment in what are defined as core artistic industrial sectors compared to other counties in the Eastern Economic Development Region.¹ Only Carteret and Lenoir Counties have larger concentrations of artists than does Craven County.

Table 8: **Artistic Concentration in Eastern North Carolina Region**

<u>County</u>	<u>Location Quotient</u>
Carteret	1.13
Craven	1.02
Duplin	0.35
Greene	0.83
Jones	0.84
Lenoir	1.11
Onslow	0.76
Pamlico	0.61
Wayne	0.77

Arts and Economic Development

The impact of the arts on Craven County’s economy takes several forms. For the purposes of this study they are grouped in the following ways: Arts to support the tourism industry; Indigenous arts activities supported by local Arts Councils; Community arts activity aimed at educating and improving quality of life—in particular efforts that address the needs of retirees. Each of these areas has a strong economic component that impact not only the function of the arts but the overall economy of the county.

Arts to Support the Tourism Industry

The Craven County Convention and Visitors Bureau is the County's tourism promotion arm. A quasi-governmental entity, it works to promote the county to visitors. It targets both individuals looking to travel on weekend getaways and companies or organizations looking to hold large scale meetings. Promotion of New Bern and the County, concentrates on selling the community as a historic town with a walkable downtown. The Bureau also actively promotes the town as a place where visitors can take advantage of artistic opportunities.

The promotion of the arts as a way to increase tourism manifests itself in several ways. The Visitors Bureau stresses the downtown area of New Bern. The downtown area features several arts stores and is home to the historic Bank of Arts Building. The Building houses the Craven County Arts Council, which also has gallery with changing exhibitions. The Bureau holds events at the building as a way to show off New Bern and demonstrate the artistic bent of the community.

The Visitors Bureau is also trying to make New Bern a destination for special performing arts events. For instance, the Bureau brings the North Carolina Symphony to New Bern for a series of concerts that provide entertainment not only local residents but draw individuals from outside the community, many of whom stay the night. A relatively new event is "Jazz and Blues Fest," a multi-day event that features performers with national and even international profiles. The festival is held at the Craven County Convention Center and is heavily promoted by the center.

The tourism bureau's recognition of the importance of arts is found in a recent effort to beautify a dilapidated section of town. An area around the Five Points district in New Bern was seen as an eyesore, hurting hotel traffic in that area. The Bureau formed a committee to establish public arts in an open space that would help transform an area that was once a place where visitors would avoid to one that might draw needed foot traffic.

The commitment to the arts by the Bureau is shown in the comment by the director about the importance of the arts in drawing visitors to New Bern and Craven County. "If we didn't have the arts, we'd be just like any other community in Eastern North Carolina," she said. Craven County competes against other "river" communities in the state and in neighboring states, so using arts to draw a distinction makes economic sense.

Indigenous arts activities supported by local Arts Councils

While the Convention and Visitors Bureau is active in promoting the arts to outside entities, the support for local artists are left up to two very active organizations in Craven County. First is the Craven County Arts Council. Located at the aforementioned Bank of the Arts Center in downtown New Bern, the Council provides a variety of services to local artists. Established in 1974, the council currently has 600 members, 99% of whom live within the county. The Council provides a variety of services to its members and to the arts community in general including:

- The operation of a gallery that shows members work and makes sales. The gallery sells \$40,000 worth of work annually, 30 percent of this amount is kept by the council to finance its activities.
- Funding of arts organizations through funds from the NC Arts Council

- Sponsoring of events such as performances
- Limited sponsoring of arts instruction such as a hosting of a youth arts camp and sporadic workshops

The chairman of the Arts Council board sees the organization as playing a key role in the development of New Bern and Craven County. "The Arts Council promotes all of the arts and serves as the broker for all arts in the area," he said.

The Arts Council is made up of both arts patrons and art benefactors, all of which are committed to positioning Craven County and New Bern as a strong arts community. No one type of art dominates arts council membership. Staff at the Council do say that there are some more visual artists than any other medium, however. Very few members of the arts council are full time artists with the director putting the number of individuals who use art as their sole source of income at less than 1 percent. The director estimated that about 40 members sell art to supplement their income.

Another group that works closely with the Arts Council is the Twin Rivers Artists Association (TRAA). This group is an organization of 80 local artists that meet on a periodic basis to discuss ways to jointly market art and promote the arts in general in the community. Although TRAA does draw membership from outside counties, the vast majority of members come from within County. The association does charge nominal dues of \$20 annually.

The relationship between the TRAA and the Arts community show how far New Bern and Craven County have come in relationship to the arts in recent years. In years past, TRAA and the Arts Council operated as completely separate organizations, often serving the same artists and providing the same services. However, a closer relationship began to be formed when Jim Bisbee, a sculptor, moved to New Bern. When Bisbee joined the TRAA, he was the first artist operating in a 3-dimensional medium to join the previously painters-only collective. In addition to expanding the group beyond one art form, he encouraged the group to work more closely with the Arts Council. Now TRAA serves the function of operating as intensive sub-set of the larger Arts Council. Indeed, Bisbee now serves as the Chair of the Arts Council Board of Directors while remaining active in TRAA.

The Arts Council and TRAA are not without their challenges, however. This is especially true in ensuring that the arts meet their potential in assisting in the economic development of the community. The Convention and Visitors Bureau expressed concern about the reliability of the Arts Council in promoting events to the outside community. The primary concern is with large-scale turnover at the Council and the general volunteer nature of most staff at the Council. The director of the Craven Arts Council is in her second stint in New Bern, after spending an interim period with the Arts Council in Kinston, NC.

In terms of support of professional artists, neither the Arts Council nor TRAA were seen as major factors in promoting their work or in serving as a real attraction to location in New Bern. One local artist found TRAA more geared toward "hobby" artists than as a way to improve their market share and learn from colleagues. The Arts Council is seen as a worthy organization but one whose purpose is necessarily broad and unable to concentrate on the promotion of specific artists.

Community arts activity aimed at educating and improving quality of life

As discussed the arts play roles in both the tourism industry and in the professional lives

of individual artists, although that second role occurs in a more limited way. Where the arts are increasingly playing a role is contributing to the general quality of life in the New Bern community that make the area such an attractive place for new residents, particularly retirees.

The clearest way that the arts are playing a role is contributing to the lives of the growing retirement community. As mentioned the Twin Rivers Artists Association mainly caters to “hobby” artists, those who pursue artistic endeavors as either a sideline, or more commonly as a something to do after finishing their primary careers. New Bern is increasingly offering services aimed at meeting the needs of this community. The most obvious way that the needs of this community is met is through the TRAA and the Arts Council which offers chances to take classes and associate with other similar artists. But another avenue is through a local arts shop that offers an extensive series of classes aimed at retirees who are either established artists or who are looking to start a new hobby. The shop’s major customer base is retirees who not only come to take the classes but purchase a significant amount of the supplies offered by the store.

The store also focuses on an increasingly common market for both classes and supplies—home school families. The store offers a series of classes aimed at the large number of New Bern residents who choose to teach their children within the home. Offering these classes makes the community more attractive for residents who may want to locate in New Bern but who are unsure about the quality of the school system.

Another way that the arts have begun to contribute to the overall economic development community is through an increased presence in the African-American community of New Bern. Craven County is nearly a quarter African-American, a higher percentage than the rest of the state. As shown in this paper that population faces far greater economic challenges than does the majority population in the county. That community has not been active in the Arts Council in the past, with black membership in the Council far less than the percentage of the population in the county would suggest. However, there are several organizations and groups that are working to increase the African-American participation in the arts and increasing the role of the arts in neighborhood economic development. One relatively new organization, Africa Inspired, is striving to create a full program aimed at providing arts programming to youth in the community. The group sponsored a very successful arts program for young people and is hoping to expand the ways it can serve local neighborhoods.

In addition to the efforts of this group, which is in the start-up stage, are groups of performing artists that are demonstrating the presence of the African-American community in the arts. The Mighty Tau, for instance, is a drumming group run and operated by African-Americans in the community. The group tours around the state and demonstrates the artistic vitality of New Bern and Craven County.

In addition to these groups, a group of black-owned merchants are looking to the arts as a way to increase traffic in the Five Points and Duffyfield neighborhoods. These predominantly African-American sections of New Bern have not enjoyed the revitalization that the downtown center has enjoyed. The merchants association is working with the Visitors Bureau around creating more public arts to attract more visitors to the area. Neighborhood groups also believe that one key to improving these areas is attracting artists to live in this area. Artists may be attracted by the relatively low prices and available space in these neighborhoods.

One key driver in all these efforts is the presence of a strong community college in the county. Craven Community College, like many community colleges in the state, offers a wide range of both degree and continuing education classes. The college offers a wide range of arts classes to both enrolled students and the community. The college has also taken an active role in promoting the arts as a potential economic development tool. The president of the college, Dr. Scott Ralls, has worked closely with both the black merchants association and African Inspired to see how arts can play a role in the economic revitalization of predominantly African-American neighborhoods. The college has also expressed interest in getting more involved in helping artists learn more about the entrepreneurial side of doing business. Staff from the college attended a program that in part focused on this component of arts based economic development. The college is looking for funding to bring a workshop that would provide intensive entrepreneurial training to local artists.

Challenges

Several challenges exist if the arts are to increase their presence in Craven County and play more of a role in the economic development of the region. These challenges are described in more detail below.

Lack of a professional arts community

While the arts are demonstrably important to tourism and while the Arts Council is active, there does not appear to be many individuals whose profession is the arts. Individuals interviewed for this study only identified a handful of individuals who pursued the arts as their sole endeavor. Obviously, the fact that the lack of professional artists means less revenue is being generated from artistic activity. If there was more money being generated through this type of activity, the arts would have greater prominence and would be more integrated into economic development plans.

To a certain extent the lack of a strong professional arts community hinders more artists locating in the county: the chicken and egg phenomena if you will. Artists may be reluctant to move to a community where it appears there will be little chance to exchange ideas and cross-promote their wares. The organizations that do exist such as TRAA and the Arts Council are perceived by professional artists as much more focused on hobby artists and seen as real social capital building organizations.

An offshoot of the lack of a professional arts community is the fact that the art market in the community is not great. Several artists interviewed stated that they had to travel far out of the county to sell their work. Aside for a few galleries in New Bern, there are few places for an artist to market their wares.

Communicating the arts importance to the community leaders

As mentioned, the arts are seen as a vital component of the county and specifically New Bern's tourism industry. However, there doesn't appear to be the same recognition of the arts importance among organizations besides the Convention and Visitors Bureau. For instance, Swiss Bear Development group is the lead organization responsible for the impressive revitalization of downtown. Several interviewees reported that Swiss Bear does not work much with the Arts Council and does not necessarily look to the arts as a way to continue downtown's development.

In other respects, the lack of acknowledgement of the arts importance is a function of the other drivers of the county's economy. Beyond tourism, the two main industries in the County are the military and manufacturing. Neither, at least on the surface, bears much relationship to the arts. Industrial recruiters like the Craven County Economic Development Commission focus on attracting firms that strengthen and support those industries and most are not comfortable in figuring out arts-related activities support that mission.

Promoting inclusivity in the arts

It was mentioned earlier how members of the African-American community were anxious to use arts as economic development tools. What is less clear is how their efforts are being embraced by existing entities. As discussed, the Arts Council is overwhelmingly white, and some individuals in the minority community expressed frustration with the Council's service/outreach to African-Americans. Events that might seem to attract a more diverse audience, such as the Jazz Festival draw primarily white audiences, as well.

It should be pointed out that these problems are by no means particular to Craven County. Many communities, even those with large minority populations have difficulty in attracting and serving these communities. Arts support and interaction are in large part due to advanced stages of social capital and in most places there remains imperfect relationships between ethnic groups.

Replicability

This study does not contend that Craven County demonstrates the zenith of arts impact on economic development. Rather, it shows how a small-town and rural county can use the arts to build upon its assets to improve its economy. In the case of Craven County, the greatest asset the community possesses is natural beauty and history that make it a natural destination for tourists. Communities would be wise to emulate the Convention and Visitors Bureau recognition that the arts can play an important role in encouraging tourists to spend money and time in a community. Too often the arts are given short shrift in promoting tourism, but Craven County is making sure that the arts are an integral part of its attraction strategy.

Similarly, Craven County's efforts in using the arts as a general quality of life issue is critical for communities, particularly those on the coast, that want to attract retirees. Offering a wide range of artistic activities both participatory and through the attendance of events can set apart a community. Weather doesn't vary much between counties, but the impact of a strong arts program can make an individual want to spend their golden years in a community.

Another action step that similar counties can look to Craven County is the involvement of the county's community college. North Carolina is blessed with one of the best community college systems in the nation and in rural areas these institutions are critical to the economic development of a region. Craven Community College, particularly its president, recognize that the arts can serve in advancing the general economic development of a community. The college has pursued the arts as a way to assist in the economic development of the county and continue to search for ways to use the arts to make a difference. While too often community colleges consider artistic endeavors as something left up to four-year institutions, Craven CC recognizes that the two-year college has an important role to play.

III. Case Study of Mitchell and Yancey Counties

Introduction

Located on the western edge of the state in the Blue Ridge Mountains, Mitchell and Yancey counties once shared land area before Mitchell was created from parts of several counties around the time of the Civil War. The population density in both counties is rural, with Burnsville (pop. 1700) in Yancey and Spruce Pine (pop. 2500) in Mitchell the largest towns. In both counties the percent of the population age 55 or over is nearly 50 percent higher than for the state as a whole, although Yancey's age structure is slightly younger, leading to a higher predicted level of growth in the next five years.

Yancey is home to Mt. Mitchell, highest point in the eastern U.S. The county seat, Burnsville, site of the annual Mt. Mitchell Craft Fair, is only 35 miles from the Asheville metropolitan area via U.S. Highway 19 E. Northeast of Yancey, Mitchell county is home to the renowned Penland School of Crafts. U.S. Highway 19 E is the main thoroughfare linking the two counties. A substantial proportion of residents of one county commutes to the other for work. The Spruce Pine Mineral District is a 25 by 10 mile batholith lying in parts of Yancey, Mitchell and Avery counties, where gems and highly pure grades of feldspar and quartz are mined.

The region is mountainous and scenic, attracting visitors that come for the recreation opportunities as well as the opportunity to buy crafts, some of which are traditional Appalachian crafts while others are in the realm of fine art. With mountain trails and whitewater rafting and fishing rivers winding through the counties and the Blue Ridge parkway at their southern edge, Mitchell and Yancey have an accessible scenic beauty attractive to both residents and visitors.

In 2005, the NC Department of Commerce designated Yancey as a Tier 1 county and Mitchell as a Tier 2 county. Tier 1 is the most distressed on a ranking of economic wellbeing. The two counties both currently have relatively high unemployment and have traditionally competed for manufacturing companies. Yet they are working together now to address the fact that manufacturing jobs in both counties are becoming increasingly scarce. The characteristics of Yancey's and Mitchell's populations are similar, especially when compared to other adjacent counties, making it easier for them to align with each other on solutions to employment and development issues.

Economic Profile of Mitchell and Yancey Counties

Facing the challenge of a declining manufacturing base

Together Mitchell and Yancey have lost thousands of manufacturing jobs in the last five years. Textiles and furniture were the sectors that showed the greatest loss with companies going out of business or moving out of the county. In spite of the decline in industry employment, the textile industry remains the largest employer in Yancey County, while in Mitchell County the largest sector is mining.

Each county has recently attracted a manufacturing company, in Mitchell a furniture company (Genesis Furniture) that forecasts a final hiring level of about 200 jobs and in Yancey

a manufacturer of “cherry picking” booms for trucks (Altec Industries) that forecasts hiring about 300 people. Genesis makes high-, mid- and low-end sofas and the feeling of local economic developers is that the wide price range provides a buffer against demand shifts. Using a building that was previously occupied by a furniture company that consolidated its operations elsewhere in the state, Genesis has already moved in and is currently training people. After finding that renovations to the building offered by the county would be as expensive as building a new one, Altec Industries is currently building a new facility now and training people in a temporary facility. They expect to begin hiring in the early spring.

The directors of the Economic Development Center (EDC) in Yancey and of the Mitchell County Chamber of Commerce (Mitchell does not have an EDC, though one person volunteers in that capacity) actively court industries, many of which are referred to them by the state Department of Commerce. Although they feel they work well together and wish each other well, economic development is a territorial activity, especially when courting an industry, so competition is built in. The director of the EDC points out, “We are looking for ways to cooperate, but industrial recruitment is another matter. Since the funds are controlled by elected county officials, it is hard for them to explain to taxpayers that a facility is locating in the other county with some of their money.”

Shift in Community View of Local Arts

Some craftspeople have had their skills passed down through generations in the tradition of the region. Others have been attracted to the area because of the natural beauty and the community of artists that already existed there, drawn initially by the Penland School of Crafts and choosing to remain. There was a sharp division, not too many years ago, between the arts community who came to the area and the “native-born” residents. While that division still seems to exist to some extent, there has been a shift in perspective on both sides. A change in management at Penland included outreach into the community in the form of art education programs. The Toe River Arts Council serves both counties, with offices and galleries in each.

From the community’s point of view, the loss of manufacturing jobs has changed the role of the artists and craftspeople from being on the margins of the economy to being principal assets of the region that they can be proud of and that will draw visitors and generate revenue for the region. The Director of the Mitchell Chamber of Commerce stated: “The attitude toward arts and Penland has changed radically in the last 20 years. People now see artists and artisans as neighbors and a good business for the county. The loss of jobs has forced the county to look at different ways to make a living.” Crafters whose family traditions and skills were passed down to them are more likely now to see their art as a possible way of making a living than a hobby, though business and marketing training and skills are necessary to truly make a living from one’s art or craft. Many woodworkers, quilters, naïve painters, basketweavers, and musicians still do the art or craft they love in their “free” time and work at a regular job to pay the bills.

Arts and Creativity in Mitchell & Yancey Counties

Measuring Artistic Activity

No one knows with any degree of precision just how big the creative sectors really are or what wealth they bring into the counties. Too much of it is “off the charts” that are

tracked by conventional employment systems. Yancey County claims, in its marketing materials, to have the highest concentration of crafts people in the nation but without any empirical basis. The count of artists and artisans varies by how it is measured. The following set of statistics, drawn from different sources, illustrates the difficulty (Table 2). In the counties combined, 150 classified their occupation as artist or performer in the 2000 census. According to non-employer statistics, 122 classified themselves as self-employed artists or performers without any employees. The North Carolina Arts Council lists 175 artists or performers in both counties, but a 2005 edited list of TRAC membership shows 388 residents earning income as artists, performers, or gallery owners. (The total membership of 500 includes teachers, gallery owners, and artists and performers in the surrounding area.) Yancey Arts (not included on the list), a nonprofit that operates under the Yancey Cultural Resource Commission, estimates that there are about 400 full-time and 200 part-time artists and artisans in Yancey alone.

Based on conversations with artists and accountants, one reason for lower non-employer counts is that self-employed databases are derived from tax returns for people who have (a) earned more than \$1,000 profit and (b) self-classify their business under the artists and performers industry classification. But some crafts people use manufacturing industry classifications, possibly to get certain tax advantages. Some artists work out of their homes and are able to find enough deductions from property depreciation, utilities, insurance, etc, to show less than \$1,000 earned. And some may not report all of their cash sales. Occupational figures may be understated as a result of self-reporting inconsistencies on census forms. Some may call themselves glass manufacturers and some who have more than one source of income may choose the other.

For those whose genre is known, TRAC artists and performers are broken down by medium in Table 3. In addition, the two counties together boast five craft supply dealers, 15 arts and crafts galleries, more than 20 gift shops that carry arts and crafts, and four interior decorators.

These numbers represent a much higher than average concentration of artists and artisans. In fact, the glass artists alone are more concentrated (glassblowers per capita) in the two counties than in the celebrated Seattle area, featured on the cover of a national airline magazine in 2005 for its concentration.

Table 9: **Counts of Artists, Performers, and Galleries**

	Yancey	Mitchell	Total
Non-employer statistics	60	62	122
NC Arts Council	88	87	175
Census-occupations	41	109	150
TRAC membership	182	206	388

Table 10: **Breakdown of TRAC Artists, Writers, and Performers by Medium**

Medium	% of Total
ceramics	18.8
painters/photographers	17.5
glass	11.1
fiber/textiles/baskets	9.5
wood	7.7
writers/performance	5.4
jewelry	5.2
metals	3.9
All Media	79.9

The two counties demonstrate a high level of excellence in their artist and artisan community. Four of the state’s “Living Legends,” as designated by the North Carolina Department of Cultural Resources, have been from Mitchell County, all in the area of Fine Arts. Other local artists are nationally known and have their work shown in galleries throughout the U.S. and in museums, including the Smithsonian. One current gallery owner who was raised in the area has traveled throughout the country delivering grandfather clocks made in his family’s business. In his travels, he has seen art being shown in galleries throughout the country that had been created by artists from his own home region. He recognized its quality and opened the Twisted Laurel gallery in Spruce Pine to showcase artwork, particularly glass that is created locally. Another, a local chair makers child rocker was used by President Kennedy’s son.

Community Centers of Arts and Artists

Artists live in areas scattered throughout the two counties. In each county, however, there are central communities that have capitalized on the arts and provide a way for visitors to come into a central location to participate in events, get information on local artists and studios, or buy from galleries and stores.

With the large concentration of artists in the two counties, combined with the relatively new focus on the arts as a potential economic boon to the region, a high level of social capital has been created among artists and art supporters. Many of the artists have formed their own peer networks to take on collective activities that allow them to achieve economies of scale. Six glass artists near Celo created a glossy marketing brochure entitled “Glass Studios of the South Toe Valley,” with descriptions and photos of the artists’ work, contact information for each artist, and a map guiding visitors to their studios. Bakersville artists have shown remarkable spirit and organizing skill in creating Creek Walk in 2005, a two-day juried arts festival that was put together independently by three artists and two gallery owners, all without any previous festival organizing experience. The first year there were 38 arts vendors, all from the Southeast (including Ohio). The

food vendors were local only. The focus of the festival was sustainable development, not just income for the artists. The response to the first festival was good, with an estimated 4,800 visitors. They plan to make it an annual event and are already making plans for expansion.

Burnsville functions as the economic hub for Yancey County, with stores, galleries, restaurants and a picturesque town square. As the county seat, government offices exist alongside chamber and arts council buildings. Most events are held in and around Burnsville and Celo, a small artist-rich community south of Burnsville on Highway 80. Celo, however, has limited visitor accommodation, with one bed and breakfast inn, one co-op gallery, one members-only food coop, and no restaurants.

In Mitchell County, the two largest communities are Bakersville and Spruce Pine. Bakersville is the county seat but is smaller than Spruce Pine, which is south of Bakersville via NC Highway 226. The town center of Bakersville has a number of galleries and shops in a small space. Shops extend out from the one main intersection. Spruce Pine's town center occupies a hillside, with an upper road and a lower road. Galleries, stores and small restaurants occupy both streets. Unfortunately, there is little indication from Highway 226 that the Spruce Pine town center is nearby, in part perhaps because it is a bit of a drive from that main access highway.

One artist/gallery owner in Bakersville operates Arts Centered from her teaching studio, opened in 2003 behind her gallery. There she offers apprenticeships, classes for the public, and work-study opportunities for high school students. The artist operates on the premise that non-artists want not only art objects, but also a meaningful interactive experience, vicarious though it may be, of what it is like to be an artist. She sees that interactive experiences increase her repeat business. Originally a Penland student, the artist feels that because she lacked a fine arts degree, she has needed patience, perseverance and a flair for marketing. After three years, her efforts have been rewarded with ballooning sales and rising enrollment in the teaching studio.

Capitalizing on the heritage of the area, Spruce Pine, with the assistance of HandMade in America, has inaugurated a branding effort and store presentation based on the Caldecott Award-winning children's book by a local author, "The Perfect Christmas Tree." Calling Spruce Pine the "Home of the Perfect Christmas Tree," local artists and craftspeople were asked to create products that were in line with the book, either actually pictured in the book or that one could imagine were part of the setting of the story. Started in November 2005, the success of the effort has yet to be determined.

Penland School of Crafts

The Penland School of Crafts was founded in 1929 by Lucy Morgan, a teacher at an Episcopalian school that once occupied several of the buildings currently in use by Penland. Morgan developed Penland as an outgrowth of a craft-based economic development program, the Penland Weavers, which she had begun several years earlier for local women. Once she hired a professional artist as the first instructor, the program of instruction quickly grew beyond textiles and the school began drawing interested students from across the country.

Penland is now one of the foremost sources of craft education in the U.S., with instruction in book and papermaking, clay, drawing and painting, glass, iron, metals, photography, printmaking, textiles, and wood. Besides studio instruction, the school offers resident artist and work-study programs. It occupies 45 structures on 400 scenic acres. It is a non-

profit organization that relies on contributions from foundations, corporations, public agencies, individuals and funds from the sale of donated artwork to make up about 45 percent of the school's annual income. The summer 2006 auction alone netted about \$300,000.

Penland is a studio school only, although in its past it has been eligible for, and received, federal vocational education dollars. About 1,200 students come to the school for instruction each year. Classes last for two weeks to two months and there is no linear program, no degree granted. About 120 guest instructors teach the students each year, about a fifth of whom are local artists, and there are no permanent instructors.

An estimated 14,000 visitors come to see Penland annually. Since the teaching studios are not open to the public, people can visit Penland Gallery, which displays and sells work by current and former Penland instructors, resident artists, and students. Student work is juried into the gallery, but an instructor's work is not. The staff works with artists on jurying and pricing. Although the standard gallery commission is 50 percent, Penland Gallery's commission is set at 40 percent. The gallery has made the decision not to be proprietary and will send artists' names to other galleries or shows and direct people to artists' studios.

In 1963, the resident artist program was started, which provides three years of housing and a studio. It is a relatively inexpensive way for artists to explore their art without having to work at another job. The program has had an effect on the composition of the surrounding community. Of the 120 resident artists that have come through the program so far, about 50 now reside in the area.

The school functions as a nexus for the community by sponsoring events and arts education at the high school and community college level. Penland has been experimenting with ways to provide more local kids with hands-on experience in the arts, although funding has been an issue. Hands-on Learning has been the most consistent in bringing entire school classes to Penland for a half-day three times during the year. The program is designed to coordinate with other school curricula, such as social studies. Science in the Studios, using the mediums of photography, clay and glass, heavily infuses art with physics. One woman at Penland has been the primary person implementing the program. Since it is grant-funded, it may be ending soon. Penland is exploring a training program for public school teachers so that the teachers can do the same thing independently. Regardless, Penland will still do a little work in the high schools, by teaching a unit (5-6 periods) in art classes. At the community college level, Penland has worked with Mayland Community College on a program that includes business, marketing, books, and developing a product line. Some of the instructors are from Mayland, some from Penland.

Toe River Arts Council

Both Yancey and Mitchell are served by the Toe River Arts Council (TRAC) in an active, coordinated effort to promote them as an arts-rich region. TRAC's services include two galleries; arts festivals; exhibitions and concerts at TRAC and elsewhere; marketing; newsletters with scheduled events; two annual open studio tours; arts auctions; a web site; and a small arts grants and music scholarship competition.

TRAC opened an office and gallery space in Burnsville in Fall 2005. The new space in Yancey complements the original office and gallery space in Spruce Pine, making Council services equally accessible to residents of both counties. TRAC is often named by other organizations as a partner in a grant writing or fund raising effort. Artist involvement and

support of TRAC is evident, e.g., donating artwork and crafts for fundraising auctions and holding performances to raise money for TRAC's rent in the new facility in Burnsville. It has a weekly E-Newsletter informing members and friends of exhibits, events, and deadlines for proposals, and TRAC frequently sponsors concerts (Java Jams) at the new Burnsville Community Center.

TRAC combines forces with other organizations to sponsor and advertise the arts in both counties by sponsoring two artist studio tours, one in the summer and one just before Christmas; an annual exhibition that showcases the arts and craft of the region, and multiple performance and educational events throughout the year. The TRAC map/brochure combination guiding visitors on the studio tours advertises the food and lodging sponsors, organizing them by area so that they are easy to find while on the tour, describing their services and providing contact information.

The bi-monthly newsletter, the TRAC Record, highlights arts-related news and events and lists the area galleries and exhibitions, describing what is being currently shown and each facility's hours, address and phone number to make it easy for visitors to participate in the local arts scene. In addition to multiple gallery spaces for local artists, TRAC offers Grassroots Arts Grants and Summer Music Scholarships.

TRAC staff feels optimistic about involving local kids in arts careers. The program director holds sessions at the high school's Career Days and from that gets calls from students about getting a mentor. Part of the services rendered to the public schools is offering arts as a learning tool.

Yancey County Cultural Resource Commission

The Commission is a new quasi-county department funded for a limited time by the county with an eye to the commission becoming a self-sustaining nonprofit organization. The Golden LEAF Foundation provided start-up money and the Tennessee Valley Authority gave them a grant through the county two years ago. The Commission's role is to cultivate local arts as an economic development tool by enhancing the ability of local artisans to develop and market their work. One effort is creating a unique Yancey county brand.

The Commission supports an arts and crafts incubator with 12 studios and sponsors a webpage with ready-to-purchase work from about a dozen artists. There have been a couple of sales of the work that has the largest exposure on the website in the form of a story behind the art. They currently have 70-80 artists in their directory, plus galleries, and expect to represent about 150 artists by the end of 2005.

With the Commission's 501C-6 status, their ability to get grants is limited. They did receive a grant from the North Carolina Rural Center a year ago to create a tile company designed to create a low to mid-income employment vehicle for artists and apprentices. The original attempt to give jobs to existing artists did not work, since their artistic styles were already set and they did not welcome the monitoring. The Commission trained and sponsored eight individuals with a production or arts and crafts background, and an additional four were able to begin the training without sponsorship. Six trainees completed the training and the two were hired on a part time basis. One local artist, who currently mentors the two hires on a volunteer basis, donated twenty-five tile designs. Of the twenty-five designs, eight were chosen for the website. The designs are being phased in and a palette of four colors has been chosen, anticipating that they will be ready for market before the end of the year.

EnergyXchange Renewable Energy Center

One of the most unique contributors to the creative economy is EnergyXchange, a non-profit incubator for art studios and horticulture enterprises, built adjacent to the 6-acre Yancey-Mitchell landfill. The facility uses the gas generated by the decomposing garbage in the landfill for its power. EnergyXchange was begun in 1999 through the joint effort of its three current operating partners— the Blue Ridge Resource Conservation and Development Council, HandMade in America, and Mayland Community College.

The creation of EnergyXchange has generated partnerships among regional and national organizations. In addition to its three operating partners, EnergyXchange also has as its major partners both Yancey and Mitchell county governments and the EPA's Landfill Methane Outreach Program. Other partners include eight private foundations, one energy company, four state agencies, and two federal agencies.

Using landfill gas not only provides low cost facilities for artists and horticulturists beginning their own business, but since half of the gas emitted from landfills is the greenhouse-effect-producing gas methane, using methane to power the studios prevents its release into the atmosphere and eliminates the need to use fossil fuels. Using the landfill gas is particularly cost effective for glass artists, whose high energy needs can wipe out any profit from selling their work. The EnergyXchange "campus" houses two craft studios, one for pottery and one for glass, four greenhouses, two cold frames, a visitor center, and a public gallery.

Development Organizations' Perspective of Local Arts

Local economic developers acknowledge the arts and artists in their area as having a role in recent economic development. The Yancey County Chamber sees arts as one of the strongest small business types and cited the cooperation of other small businesses in promoting the local arts focus, including a dude ranch that will often take its visitors to nearby galleries and into Burnsville to do arts and crafts shopping.

The Yancey County EDC and the Chambers of Commerce in both counties have built local arts and crafts activity into their strategic plans as a high priority, largely with regard to its addition to the tourist industry. The Yancey Chamber markets art, but focuses more on Mt. Mitchell as the unique feature of the county. It combined the two by advertising "Home of Mt. Mitchell, craft capital of the World." The Mt. Mitchell Crafts Fair, held every August for 49 years, is a huge event that grows every year. Attendance at the fair two years ago was estimated at 50,000 people. The quality of the craft at the juried fair is excellent, with the stipulation that 90 percent of the item must be handcrafted. Some local artists are featured, but it is mostly a regional art event that includes artists from Tennessee and coastal NC, as well as a few each from Florida and New York. Southeast Tourism Society ranks it as one of the top ten events in the Southeast. The EDC has calculated that "arts and tourism saves each taxpayer \$100/year in taxes that they don't have to pay."

The high value placed on local arts activity has spawned a number of cooperative projects. Mitchell Chamber of Commerce and Penland cooperated last year in a large and successful marketing campaign, "Craft Your Vacation in Mitchell County." Funded by the NC Department of Tourism, the campaign included billboards throughout the region and television ads in Charlotte, Greenville and Raleigh. The Chamber added a trade show in Raleigh, which it funded directly. The Yancey and Mitchell Chambers created a joint proj-

ect to improve the awareness of the 2-day June and December art studio tours that included advertising them in Southern Living magazine. The Toe River Arts Council (TRAC) publishes updated maps that the artists themselves put together of the stops on the tours. Many businesses throughout the area make the maps available to customers.

New cooperative projects to support local arts are in the works. Penland, the Cultural Arts Commission, and the two Chambers are working together to get a grant as a Blue Ridge National Heritage area for an arts and crafts trail that expands on the TRAC trail by including artists that are not TRAC members. They would like to create an interpretive tape or CD to guide the participants, as well as maps and brochures. Also as part of the Blue Ridge Heritage Area, TRAC is applying with others for grants to create Quilt Trails that would be similar to those of Rock City Barns.

Whether the artist or artisan moved to the area or was born there, making a living at their craft remains an issue. According to TRAC, some artists have better business skills than others. Some have had business training as part of their art program, and some others are catching on. Mayland Community College in Mitchell County has worked with arts groups to offer small business courses that address the problems that entrepreneurial artists face.

Penland estimated a few years ago that about 200 area artists are self-supported by their art. They found that the factors affecting an artist/artisan's ability to support themselves by their art were a less-than-high-end quality product, a type of product that does not usually get accepted at craft galleries, and a low level of marketing interest or skill. From interviews with a sample of 70 Yancey County artists, the Cultural Arts Commission found that about 25 percent were supporting themselves solely from their art.

Supplying the Artists

Providing supplies to artists is one avenue of local employment that has met with limited success. Wood from the area is in demand by woodworkers who live both locally and outside the region. The Spruce Pine Batch Company is a local supplier for glassblowers all over the country. It was started by the son of a nationally known glassblower in the area originally to supply local artists with kugler (thick glass in a palette of colors), but the quality and variety of their product had national appeal. There are two glass suppliers in Asheville that serve flame workers (glass artists that work over a flame, rather than using a furnace). All of the feldspar from the plant in Spruce Pine is sent to a northern China company; none is offered locally.

Based on her 21 years of experience at Penland's Supply Store, the manager feels that a local supplier could potentially be successful if they served a clientele that was diversified, using glass, clay, and metal. Many of the Penland supplies are purchased from an Illinois distributor and the equipment is mail ordered. Some supplies are of such distinctive quality that they are purchased directly, such as snips from Italy, pottery paddles from a paddle maker in Virginia, and mud tools from a craftsman in Henderson, NC.

Replicability

Because of the unique presence and reputation of Penland and the size of the artisan community and the level of professionalism it has attracted to Yancey and Mitchell, it would be difficult to replicate such a school in another setting. However, the level of volunteerism and community organization and cooperation in sup-

port of the arts, whether as an education tool or an asset that draws visitors is vibrant in these counties.

The loss of traditional employment spurred the cooperation between counties and organizations, and increased the energy behind the numerous efforts around the arts. The alternative might have been to continue to focus solely on attracting manufacturers to replace those lost. This is an unfortunate choice that has been made by many rural communities losing their traditional employment. Identifying another asset to capitalize on and working together to augment its effect is a wiser move. While the Chambers and EDC continue to work to attract and expand industrial jobs, they are also broadly involved in the arts and tourism aspect of development. Capitalizing on the arts asset in combination with the asset of natural beauty and working together represented a choice by Mitchell and Yancey residents to remain in their region and cooperate for its economic health.

The across-the-board cooperation, drawing on the talents of many individuals and groups, would be of tremendous benefit to any rural region. While often a rural area depends on one strong personality, without whom a particular development effort would not exist, combining forces and strengths is a more stable method of galvanizing community spirit for tangible results.

Often rural communities bemoan the lack of a nearby large city or metropolitan area for their inability to attract more visitors. The Asheville metro area is about an hour's drive from various points in the Mitchell/Yancey area, but the focus of the effort to attract tourists is not limited to Asheville. Organizers fully expect people to travel from all over the state and from adjacent states to get to their area, and they advertise accordingly.

Looking Forward

The two counties would benefit from a stronger regional approach, by working together even more closely in arts development, making sure that the traditional competition that has existed between them does not creep into the area of the arts. The two efforts at branding—Yancey Arts' attempts to create a unique Yancey county crafts brand and Spruce Pine's new "Home of the Perfect Christmas Tree" branding in their newly opened store—could dilute the overall effect of branding the larger region. Coordinated examination of branding efforts would ensure that the buying public is presented with a cohesive, easily recognizable branding for the region to maximize its impact.

One of the factors most often cited by county organizers and artists as a needed support system to attract and keep visitors longer is additional lodging and restaurant options. There is an historic rural inn without air conditioning, an historic hotel on a town square, and a number of bed and breakfasts. However, some bed and breakfasts have recently closed, giving rising insurance costs as the primary reason. Many of the restaurants that do exist are open seasonally and/or with limited evening hours. Part of the rural charm of the area is its rustic mountain beauty, with the lack of chain motels and restaurants, but visitors do need a wider choice of places to stay and to eat.

Interviews with local artists and organizations indicated that they realized that not everyone could benefit as a self-supporting artist from the area's arts development. As the expansion of arts and tourism continues, more consideration could be given to ways that

non-artist segments of the population could be brought in to alleviate the high unemployment. Stores, lodging, and restaurants that support the touring visitors who are likely to purchase arts and other local products could be encouraged with active recruiting and training, remaining mindful that damage to the rural ambience and natural beauty of the area would be counterproductive. The counties are working hard at maintaining the local infrastructure and sprucing up the historic buildings to make the area even more inviting to visitors.

For artists with professional training and national museum showings, the attitude of state organizations that the area can be marketed best as an undeveloped rural area and residents can be insulting. The example most often used by artists was the "Hillbilly Festival," where the arts and crafts of the area were presented along with other vendors. Such stereotyping hides the high quality work done by local artists and undermines subsequent efforts to publicize the artistic excellence that can be found in these counties. A greater awareness within state agencies of the unique artisan character of the region would benefit the area's image and raise the expectations of visitors to spend more for high quality work.

There is justified concern that many of the heritage crafts are not being passed down to the next generation and could be lost. Many of the native-born residents with quilting, woodworking, basket weaving, and other traditional craft skills are elderly and have either not been able to pass the skill on to anyone or have passed it on to someone who has chosen to focus their work in another venue. Efforts to create mentoring and apprenticeships specifically geared to address this issue would be invaluable. Some of the native-born artists expressed that they would not participate in the TRAC studio tours because they included Sunday and they would not work on Sunday. Addressing concerns of the heritage crafters of the area would ensure that the benefit accruing to arts development is shared as widely as possible.

IV. A Case Study of Chatham County, North Carolina

Introduction

Chatham County has a distinct rural character that reflects its agricultural history, with rolling farm fields, stands of woods, winding rivers and streams, and small, picturesque downtowns. However, in recent years the county has seen many changes, such as a rapidly growing population and increasing suburban development. Chatham is adjacent to the Research Triangle area in central North Carolina, located directly east of Raleigh and just south of Chapel Hill and Durham. Due in large part to its location near this high-power employment center and its relative affordability, many Triangle area residents are choosing to locate in Chatham. The county is also a popular location for retirees, who value the landscape, access to cultural amenities, and warm weather. Additionally, Chatham is linked to the Triad region about forty miles to the northwest, which includes the cities of Greensboro, Winston-Salem, and High Point with a total population of nearly one million.

The county's two major towns are Pittsboro (population 2,200), which is the county seat and is located about fifteen miles south of Chapel Hill, and Siler City (population 7,000), located about forty miles southeast of the Triad and about fifteen miles west of Pittsboro. In addition, the mid-sized city of Sanford (population 23,000)² lies just southeast of the Chatham county line. Chatham is also home to many charming small towns, such as Goldston in the southwestern part of the county and Bynum, a growing community near Pittsboro, notable for its revitalized historic general store that hosts a popular live music series. Fearrington Village, an upscale planned community with a nationally award-winning restaurant, an inn, and several shops, is located between Pittsboro and Chapel Hill, as is Governor's Club, another upscale housing development. Residential development is generally dispersed, most often consisting of single homes surrounded by acres of open space. Only one fifth of the county's population lives in its municipalities.³

As more middle and upper-income residents locate in the county, there is an increasing trend towards out-commuting and unevenness in income levels, as most of these high-earning residents are concentrated in the eastern part of the county nearest the Triangle. This trend may negatively impact the area's artists by raising property prices, but also brings arts supporters and a larger market for art. In the past decade, Chatham has also seen a significant increase in its Latino population, largely Mexican immigrants or their descendants, who have settled particularly in the western part of the county. In 2000, Siler City was forty percent Hispanic or Latino, compared to only nine percent in Pittsboro.⁴ As these trends indicate, the county's traditionally blue-collar agricultural and industrial working population is transitioning into more of a high-skill workforce in its eastern region, while the west retains more of the county's traditional occupations and is being heavily influenced by Latino culture.

Chatham's chief economic assets are its location near major metro areas and high-wage employment while providing access to a rural landscape and outdoor recreation opportunities, such as kayaking, canoeing, fishing, and hiking. In addition, Chatham has a rich cultural heritage, including deep blues, old time, and bluegrass music traditions and a history of visual artists and musicians settling there. The county is better off than the state in terms of average income levels, educational attainment, homeownership rates, and

median home values. However, the county's municipalities show lower average incomes than the rest of the county, reflecting the trend for more affluent residents to locate in new developments or in country homes.

Challenges for the county include inadequate infrastructure in light of proposed new residential developments, which could bring as many as 5,000 new homes and five shopping centers to Chatham in the next few years. Additionally, the county has some historic social divisions based on race and class, and there are additional tensions between newcomers and longtime residents, many of whom also have political differences and disagree about the direction of growth and land use change. Finally, the county faces serious challenges in providing adequate education to its residents and supplying high-quality jobs and business opportunities at the risk of increasing brain drain, out-commuting, and the very real possibility of becoming a bedroom community.

Economic Profile of Chatham County

Major economic trends in Chatham include a continued but diminishing role for agriculture and manufacturing, a relatively small commercial business sector, and an increasing reliance on property taxes. The county's creative economy plays a growing role in the overall economic landscape through providing jobs and income in a county that struggles to provide employment opportunities.

Economic history and trends

Chatham County's economy has traditionally been based on agriculture and manufacturing, including wood products fabrication, textiles, brick making, metalworking, and poultry production.⁵ Although in decline, the county's current industry mix reflects continued manufacturing activity, with other employment coming from government, services, and education (see Table 1, below). The arts sector is relatively small but comparable to the state average. Large agriculture and textiles are in decline and while these industries have seen many closures in recent years, small specialty and organic farms are on the rise, and poultry production, wood processing, and other types of manufacturing are still significant.

Employment trends in Chatham speak to a county that has difficulty providing jobs for its population. In 2001 the county reported only 933 private non-farm establishments, which employed roughly 13,000 people, while retail sales per capita in 1997 were about \$5,000, roughly half the state average. Keith Megginson, Chatham County's Planning Director, still sees agriculture as an important economic driver in the county, along with the growing construction industry and some heavy industrial production, such as a fiber plant that makes seat belts, a large-scale gravel plant, and wood products plants. Jason Sullivan, the County Assistant Planner, adds that Chatham is starting to see expansion in its commercial sector due to anticipated population growth, including several new planned shopping centers. The growing Latino population has also boosted the county's economy through buying homes and creating successful small businesses.

Meanwhile, residential growth is outpacing commercial growth, and in a story familiar to many agricultural areas adjacent to growing urban areas across the country, many farms are being converted to subdivisions. Chatham has produced several land use plans, and in October of 2005 won the Outstanding Planning Award for Small Communities from the North Carolina chapter of the American Planning Association for its Compact Community

Table 11: **Selected Chatham County Employment by Sector, 4th Quarter 2005⁶**

	% Total, Chatham County	% Total, North Carolina
Total Government	14.9	16.8
Total Private Industry	85.1	83.2
Agriculture Forestry Fishing & Hunting	2.3	0.8
Construction	5.0	6.0
Manufacturing	33.8	14.8
Wholesale Trade	2.4	4.4
Retail Trade	10.7	11.6
Finance and Insurance	1.1	3.7
Real Estate and Rental and Leasing	0.7	1.3
Professional and Technical Services	3.3	4.2
Management of Companies and Enterprises	0.1	1.6
Administrative and Waste Services	2.8	5.8
Educational Services	9.4	9.0
Health Care and Social Assistance	11.2	12.6
Arts, Entertainment and Recreation	2.2	1.4
Accommodation and Food Services	4.8	8.2
Other Services Ex. Public Admin	2.3	2.6
Public Administration	4.7	5.7

Ordinance.⁷ According to the plan, major economic development goals for the county are to “increase job opportunities and the tax base within Chatham County, to provide suitable locations for economic development and to encourage development that sustains the county’s rural character and environmental quality.”⁸ However, there has been uneven implementation of plan recommendations and much political controversy over new development plans, leading to clashes between the Board of County Commissioners, which is largely responsible for land use decisions, and recently formed citizen advocacy groups voicing concerns about unplanned development and its potential impact on the character of the county.⁹

Economic Development Assets and Strategies

Chatham has access to many economic development resources, including ties to the regional Triangle J Council of Governments (a body linking local government officials in the Triangle area)¹⁰ and the Triangle Regional Partnership Economic Development Commission (a multi-county economic development entity for the Triangle area).¹¹ The county funds its own Economic Development Corporation and its active Department of Travel and Tourism has been successful in promoting local events, festivals, and business-

es to tourists. Chatham is also home to two branches of Central Carolina Community College (CCCC).

Chatham's economic development leaders have by and large not been able to recruit large employers to Chatham, with the exception of a gravel plant from the company 3M. Small businesses, however, seem to be growing, including many arts-related small businesses. There is a new industrial park in Siler City called Central Carolina Business Park, with plans to house a branch of CCCC and a new hospital. Public officials hope these assets will draw related biotech or high-tech enterprises due to its proximity to RTP and location on major highways. However, they are realistic in expecting suppliers, distributors, and warehousing companies as opposed to the high-paying employers that often locate in RTP itself or in more urban areas.

The Arts in Chatham's Economic History

The arts have played an important role in Chatham's economic history. Visual art and music have historically been part of the county and often provided supplemental income for its residents. Many artists have chosen to live in Chatham, particularly since the 1970s, bringing with them other resources that may include income from another job (if they are a part-time artist), a high-earning spouse, other employment or volunteer skills and networks, visiting friends and family who spend money in the county, and, if retired, time and capital for leisure pursuits. In addition, arts activities, such as a decade-old annual open studio tour and various arts and music festivals, have attracted visitors from outside the county and helped the county's commercial areas. The arts have also acted as an amenity in drawing new residents to Chatham, where many have built unique, artisan-influenced homes or chosen to live in "alternative" developments like Farrington Village that feature art. These contributions are particularly important in the context of declining employment in traditional sectors.

Arts and Creativity in Chatham County

Thirty years ago, Chatham County's residents were mainly farmers or worked in textile, other manufacturing, or livestock operations, with very few professional artists. However, Chatham is located in a relatively "arts rich" region of North Carolina. The county lies just east of the Seagrove area, famous internationally for its history and concentration of potters and other ceramic artists. Chatham possesses the same rich clays that these potters used, and many of these early ceramic artists lived in the county. Chatham also shares in the strong musical and craft traditions that characterize North Carolina. The county has a rich history of blues and bluegrass music and has been home to many writers, including noted nineteenth century slave poet George Moses Horton, the historic Poet Laureate of the county. The adjacent metro areas and academic institutions also created vibrant art scenes that drew artists from all over the country, many of whom stayed in the area.

In the 1970s, Chatham had a handful of individual artists and groups of artists producing and selling art objects. During that time, many artists all over the U.S. were moving to rural areas, such as Chatham, because of the beautiful countryside, affordable housing, and disillusionment with urban society. Proximity to an academic community and metro areas also made Chatham attractive to artists, who began to build unique, custom-made homes in woods and on farmland. In the 1980s and 1990s, the county began to be recognized as a center for artists, and an arts council and studio tour were established by local citizens. The public sector began to take note of the artistic resources in the county by

limited support and promotion for the arts council, the tour, and other activities and events. However, particular individuals, through hard work and enthusiasm and some risk taking, established Chatham as a county for artists, and their stories tell a great deal about how the arts scene there got rolling.

In 1992, Cathy Holt, then director of Chatham's local arts council and herself a goldsmith, worked with a core of volunteers to create Chatham's first artist directory to help inquirers find local artists and organized an regular studio tour. The tour was inspired in part by celebrated potter and Chatham resident Mark Hewitt and coincides with one of his bi-annual kiln openings. The openings held at his home attract hundreds of people from his international clientele. Holt recalls, "The fact that people with money and interest were willing to come to Chatham to see one artist's work was proof for me that they would come to see others' work as well." Holt notes the importance of volunteer effort and the leadership of longtime director Maggie Zwilling in making the tour work, along with three key elements: first, a successful map, so people will want to return the next year; second, holding the tour at the same time every year; and third and most important, high-quality and extensive marketing.

The arts council has also grown over the years. Holt started the artists' directory by asking her artist friends to contact artists they knew, and word spread so that artists now contact the council to join the directory. It now has over 200 artists in an online and searchable format. Although the council has struggled over the years to maintain funding and consistency in their direction, they recently established a gallery in downtown Pittsboro that features member artists. They also provide grants for local artists and performance events, hold workshops for artists on business skills, and hold their own arts festival every summer.

Many local business owners have made a difference in downtown revitalization and public visibility for arts in recent years. The General Store, an art-themed café, shows work from about seventy artists and holds regular live music shows. Owner Vance Remick explains that showing art has benefited his business, through sales revenues and from the atmosphere that the art creates. In turn, it has benefited local artists, such as metalworker Tamara Mulanix. One of the store's first artists, Mulanix began showing her sculptures at the café at the request of Remick. She is now a full-time recognized artist and was recently featured on the cable network HGTV. Downtown Pittsboro also has two recent galleries, one run by the local arts council and the other, Side Street Gallery, showing contemporary and often abstract art from local artists. Side Street owner and painter Michael Mosca notes that his opening receptions are well attended and he sells enough art to stay viable. Down the street, French Connections sells artwork from Africa and France, and Chatham Marketplace, a food co-op, is slated to open in Pittsboro's renovated textile mill, which may also include performance or other art-related space. Finally, several well-established antique shops enjoy a mutually beneficial relationship with these businesses.

Many events that feature visual art and music have recently sprung up in the county. Several Chatham restaurants and cafés feature regular live music, largely by local musicians, from rock bands to informal bluegrass sessions at general stores. The music series at the Bynum General Store, recently established by local Molly Matlock Parsons, was a launching pad for country singer and Grammy nominee Tift Merritt. Additionally, the bluegrass band Chatham County Line, who formed as a band in the county, is gaining a national following. The music industry does not always provide sustainable employment,

however, and Roy Eubanks, well-known guitarist for local R&B band Brothers and Others, notes the stories of many Chatham musicians who could have been professional but did not because the lifestyle would be too hard on their families. Fearrington Village, which features sculpture and art in its shops and restaurants, has held an annual folk art show with artists from around the country and local performers for the past three years. Last year the event attracted roughly 5,000 people. In addition, the Shakori Hills Grassroots festival is a bi-annual, large-scale music festival recently established at a farm in central Chatham, but the festival is actually an outgrowth of a longstanding festival in upstate New York, and so brings an established infrastructure and social network to Chatham.

More recently, the North Carolina Arts Incubator began when Leon Tongret, director of the Small Business Center at CCCC and a former entrepreneur himself, thought a small business incubator model would work for historic preservation and revitalization in downtown Siler City. Tongret determined that the arts would be a good match due to the concentration of artists in the county and its artist friendly reputation, the rural landscape and affordable homes, and proximity to a large art market and to major highways.

Today there are hundreds of working artists in the county, selling their work in local, national and international markets and participating in popular events that draw tourists and residents alike. There is a vibrant, varied arts scene that has grown appreciably in the past few decades, through a combination of good fortune and deliberate action by local artists and community leaders, such as establishing formal and informal networking forums for artists, creating and promoting popular arts events, and growing arts-related small businesses and support for these businesses. Currently there is a small business incubator based on arts, a popular annual tour of local artist studios, a local arts council, many arts and music festivals, several galleries, arts-related classes through CCCC, an active live music scene, numerous arts-related organizations, and the presence of several hundred artists. The local arts council's directory lists nearly 200 artists, almost certainly an undercount, working in varied media, from pottery and other visual arts to literature and performing arts.¹²

Tourism and art sales assistance

An annual studio tour takes place over two weekends in early December. Local artists open their studios to visitors who, using an official tour map, drive to studios and purchase art directly from artists. The tour has grown from thirty-two artists in 1992 to fifty-eight in the 2005 tour, working in a variety of media including ceramics, fiber, drawing, glass, jewelry, metal, mixed media, collage, painting, photography, silk screening, stone, and wood. It has received funding from the local arts council and the county's Travel and Tourism office, which still promote the tour on their websites but is currently funded through fundraising, private donations and artist participation fees.¹³

The tour is not without limitations in terms of who benefits.¹⁴ Still, since its founding it continues to be one of the most successful tourist events in Chatham, contributing to artists' incomes, sales taxes, and significantly increasing activity at local businesses. Many artists report that they sell most of their work for the year during these two weekends, and involvement in the tour has allowed many artists to become professional. It has encouraged networking and helped artists improve their business skills, create more sophisticated marketing strategies, and grow their clientele.¹⁵ Also, the tour has raised Chatham's profile regionally and, among artists and others, has played a role in decisions to relocate to the county.

The local arts council has also held various events that have benefited artists. Chatham Arts is a nonprofit organization whose mission is to connect local artists to the community, which they do through holding charity fundraisers, organizing an annual arts and music festival called Clydefest, and running an artist-in-residence program for local schools. Their most direct form of artist assistance, however, is in a series of occasional workshops for artists run in conjunction with nearby Orange County's arts council focusing on business skills, including how to improve the customer experience and increasing art sales during the Studio Tour, managing finances, and marketing. These sessions have tapped local experts as instructors, and artists have generally found them helpful and would like to see more of them.

Arts-based small business incubator

The North Carolina Arts Incubator is a product of the CCCC's Small Business Center and, in large part, a result of Leon Tongret's well-designed business plan, entrepreneurial knowledge, and his effectiveness in working with City and County officials. Housed in several brick buildings lining the historic downtown's main street, it currently houses about forty artists and artist assistants. It also includes a ceramics classroom for CCCC classes, a gallery featuring incubator artwork, and workshops used to create everything from guitars, jewelry, stained glass, and metal furniture to limited mass production sculpture. Projects currently planned or under construction include a café with performance space, an art supply store, and a high-end restaurant. In the first Studio Tour weekend in 2006, the incubator will sponsor its first Art Market, featuring artists, entertainment, and a wine tasting. Tongret's goal is to grow the project over eight to twelve years until it is the largest arts incubator in the country with 250,000 square feet of space and a total of 1,000 employees. The incubator already has leveraged funds from the Rural Economic Development Center (approx. \$50,000), Siler City (\$125,000 over five years), Progress Energy (\$25,000), and the County through rental of classroom space for CCCC (\$200,000 over four years) and has garnered national press in over fifty articles, a local TV news program, and a recent NC Rural Center documentary.

Tongret admits that the unique nature of the project and the combination of factors might not be the case elsewhere—the vacant downtown buildings that could be financed affordably, a concentration of talented artists, the community college's art classes and small business center, and the willingness of public officials to try arts as economic development. Public officials supported the project partly because Chatham was in need of creative economic development and because of Tongret's business plan and consistent evidence of visible progress.

The incubator faces many challenges, both political and financial, and has limited staffing capacity. However, the incubator is beginning to attract artists from the region and elsewhere in the country, including some who already have national reputations, such as Chatham resident Terry McInturff, a guitar maker whose clients include Eric Clapton and other famous musicians.

Downtown revitalization and the arts

The arts can provide a major boost for tourism or relocation, particularly in rural areas. Visitors come to Chatham's shops and restaurants and to music or festival events. For example, many commercial businesses in downtown Pittsboro are art-based, as noted above, including galleries, shops, and an art-themed café.¹⁶ Downtown revitalization in Pittsboro has not been a total success, and many merchants complain about slow busi-

ness and a lack of public leadership to turn the downtown into a true tourist destination. Jacques Dufour, owner of French Connections, notes that it is important to have a strong market for businesses regardless of the public benefit they may provide, and says that Pittsboro's market is not as strong as others in nearby Chapel Hill or Cary. Cindy Edwards of Edwards Antiques agrees that business can be slow, but thinks that art-based tourism will play a more important role in Chatham in the future because of more residents with leisure time and the increasing prevalence of domestic travel.

Entrepreneurs in the arts

Art-based enterprises in Chatham include commercial galleries, some art supply stores, cafés and restaurants that feature local art, music-related businesses, and graphic design and architecture firms. For example, Walden Music in Siler City is an example of a sustained business based on arts activities. Owner and R&B musician Bill Walden sells musical instruments and equipment and also runs a recording studio and a successful staging business for music events and festivals throughout the southeast.

Some of the emerging art-related tourist activities in Chatham involve the literary arts, culinary arts, and agrotourism. Marjorie Hudson, a fiction writer who lives in Chatham, holds regular weekend workshops at a local B&B, which attract writers from outside the county and beyond. These workshops support her own work and also bring business to the B&B and local restaurants. Fearrington's high-end restaurant also offers cooking workshops attended by out-of-county visitors. Finally, there is growing tourist activity at Chatham's small farms, which are part of a popular annual Farm Tour in the Triangle area, where farm owners sell produce, handmade products, and are starting to include work by local artists. Other attractions that involve art and creativity include the Silk Hope Winery, Chatham's first, and an art museum and a tour of several artisan shops at Moncure in the county's southeast corner.

Residents, business owners, and real estate agents report that Chatham's "artsy" reputation has influenced people to buy homes in the county. One such resident, who recently bought a home in Pittsboro, recalls looking at the Triangle area when relocating from the Midwest and "falling in love" with the arts in Chatham, largely because of online information about the Studio Tour and then what she learned in conversations with local residents and visits to Pittsboro. Fearrington Village owes much of its popularity to its "artsy" feel, and the local music scene adds vibrancy and entertainment amenities to Chatham's communities. One realtor reports that Chatham's artistic reputation makes it easy to talk about the personality of the area, saying, "People want to be identified with something other people know, and the arts gives them an identity."

"Hidden Arts" and Emerging Activities

In this section, "hidden arts" and emerging activities refer to arts activities that are overlooked, people who are not normally considered artists or who are not involved in formal art organizations, or other industries using the arts or benefiting from arts spillover. These artists and activities represent exciting untapped or emerging creative promise for new links and potentially significant contribution to Chatham's economy.

There are many activities in the county that are often overlooked as "arts," such as graphic design, film production, culinary arts, architecture, landscape architecture, and custom building, yet many of these are growing and represent high-skill employment.

Independent film production seems to be growing, and at least one crew was recently filming at the small-scale, organic Blue Heron Farm. In addition, artists are increasingly involved in home construction in Chatham. Gary Phillips, a local realtor, has built his home in Chatham using local artists. Contractors and artisans created pressed earth walls, a Santa Fe style interior roof and deck, custom interior painting and detailing, and intricate metal gables. The house was appraised well above its expected value by an outside appraiser who considered it a “custom home,” and many of the contractors and artists learned new techniques and expanded their networks due to this project. As a realtor, Phillips explains that custom artisan work helps to sell a home—he says that a stone dry-stack fireplace by local artisan Joe Kenlon can add several thousand dollars to a sale price—and he observes that builders and contractors are avid participants in local studio tours as they search for artistic features to distinguish their homes in a competitive market.

Some Chatham entrepreneurs are using artistic skills for non-arts focused businesses. Artist and entrepreneur Lyle Estill recently helped found Piedmont Biofuels, which makes vehicle fuel out of food waste from local restaurants. In one of Estill’s former enterprises, called Chessworks, he and his team created life-size chess sets from scrap metal. These artistic skills have come in handy in the new enterprise, and Estill estimates that Biofuels has saved thousands of dollars by doing in-house welding and metalworking, and also by using their knowledge about scrap recovery networks. Tourism at the company may also be boosted by art. Biofuels’ workshops and tours have attracted many non-local visitors, and Estill plans to make the facility more of a destination through sculpture and performance events. The grounds have already hosted an informal performance of local dancers and acrobatic artists, and four film crews have shot footage there.

Finally, minority populations in Chatham have a wealth of talented artists and artistic entrepreneurs that are not well represented in formal art organizations or art-based marketing of the county. As noted above, the local Latino community in Chatham is substantial, particularly in Siler City, and the following stories hint at possible artistic assets in this community. In the first example, Memorio Sagada made a part-time living creating airbrush paintings in Siler City, and has recently moved to Greensboro to open a business entirely devoted to this activity. Second, Berta López, who with her husband Simon owns Tienda Olivia in Siler City, makes elaborate decorations from dolls, glassware, cloth, and craft trimmings for local weddings, baptisms, birthdays, and other events that they sell from their store. There are also many musicians in the Latino community, including several mariachi bands that play at regional festivals.

As noted above, writers, musicians, and other performance artists are not as visible as they could be, partly due to a lack of performance venues and also because of the experiential nature of their activities. This particularly impacts the African American community, which includes many artists involved in music and other performance art (with exceptions, such as quilters and some visual artists). These artists have little involvement with formal arts organizations or related business assistance programs. Mary Harris, minority affairs coordinator for the Chatham County schools, thinks that this is due in large part to a lack of a critical mass of minorities in these organizations and not enough public recognition for gospel, blues, and dance. Other suggestions include more investment in visual art in elementary schools, support for young musicians, or an arts center that features performance and art creation space for teens.

The Arts in the Community

The arts in Chatham contribute to community development goals and are part of a vital, healthy community in many ways, with potential for growth in this area. Many artists volunteer their time or donate work to charity auctions that benefit local social service organizations, many of which are organized by the local arts council. Art also helps facilitate learning and can be therapeutic for young people, and the arts council coordinates a matching program between local artists and schools. The arts incubator project has been giving free space and help with business plans to some low-income residents, and is working with social services to start a program that serves people with physical and mental handicaps.

Creating or experiencing art can offer new experiences for individuals and communities. Michael Mosca recently held a show at Side Street Gallery that was partly an installation and featured large, strangely colored cocoon-like pods hanging from the ceiling along with displays of antique medical equipment. The effect was unsettling, and he notes, "There are not many galleries in the state that do installations, so doing one here is big for the community. So far, lots of people don't think this is art, but it's the conceptual side of art that doesn't always look pretty." Mosca thinks art space should also provide something for local youth to do, and is currently exploring options to found a program at his gallery to work with troubled youth referred by social services.

Art can also contribute to a vibrant public streetscape and can bring a community together around its history. For example, the local government of Siler City, in conjunction with the arts incubator, recently funded a public mural program focusing on the city's history. Pittsboro's "community read" program, coordinated through the local library, brings its community together around a chosen book and annually generates well-attended readings and a charity auction of pieces inspired by the book, created and donated by local artists. Music festivals have also brought different communities together, as in Clydefest, organized by the local arts council. Noticing few minorities in the audience the previous year, the council invited local gospel groups to sing. Many accepted, and their participation drew a large African American audience and provided a space for interaction. A recent play provided a similar space. "The Millworker" emerged from local drama teacher Ellen Bland's classroom, and dramatized the life stories of textile mill workers in North Carolina. The play was performed by local actors and musicians in a historic mill building near Pittsboro and was attended by a diverse cross-section of the community, generating conversation as well as funds for the arts council and the performers.

Replication

Chatham County has encouraged its creative economy in many ways that provide examples for other places to follow or learn from. Lessons from this case include:

Business education and assistance provided to artists should be based on an understanding of what artists need, built from trying to work from the artists' perspective and by involving artists themselves in project design.

One of the most successful ways to assist artists throughout Chatham has included building artist networks and pooling resources, as in the studio tour or through the arts council. The efforts that have seen the most success have been started by or at least had sig-

nificant involvement by artists themselves. One element that cannot be easily controlled is creating an environment that attracts artists, which by circumstance Chatham has accomplished through its rural landscape, affordable housing and land, and proximity to a large art market and metro area amenities. Maintaining this attractive environment will be a challenge considering rapid population growth and land use changes in coming years.

The ability to bridge the worlds of local economic development policy and artistic creation is key.

Several projects came together because of an intermediary person able to translate between these different social and occupational worlds. For example, the arts incubator project has succeeded largely through the work of its director who works in many fields including economic development, arts, and education.

Public visibility is crucial to promoting arts activities, both for encouraging tourism and generating local excitement about the arts throughout the community and region.

Visibility plays a key role in the arts incubator project and the Studio Tour, and is important to the success of local galleries, retail businesses, and events that draw tourists. However, creating art is often a solitary task and their activities are not necessarily publicly visible, and so it may require extra effort to bring this activity into public view.

Innovative creative economy activity can build on the strength of existing talent and ideas, creating new networks between artists and other industries, and through attracting high-wage small businesses and investing in human capital.

Potentially important artistic activities in Chatham, such as involving artists in custom home construction or putting artistic skills to work in manufacturing industries, came from creative entrepreneurial ideas from within Chatham itself. These ideas were encouraged both through the vision of the artists themselves as entrepreneurs and through providing information to artists about linking opportunities.

Successful projects must be tailored to specific places and should aim for a unique niche.

Replication of Chatham's arts related downtown revitalization efforts, for example, could include an arts-based small business incubator, galleries, art-filled cafés, and encouragement of artist networking. However, every town is different, and in each case it is important to analyze the strengths of that particular region in terms of existing artists and downtown area assets, as well as the viability of the regional art market and potential community support for such projects. The element of novelty is also important in generating excitement for unorthodox economic development ideas, especially those involving artists, according to Leon Tongret of the NC Arts Incubator, noting that it would be advisable to focus on a unique niche when considering a new project. Art-based economic development may contribute more to a community than can be seen in the economic short-term.

Events, performances, and arts projects can contribute to charitable causes and are also fun, bringing a community together and building capacity that can be called upon in the long term. Michael Mosca of Side Street Gallery thinks art-based downtown revitalization is about more than economic viability. He says, "It's hard because of lack of funding for it, but it's a beautiful thing. Every town is different, but every town needs it."

In sum, key elements for replication based on the Chatham case could be created through deliberate intervention. Bridging intermediaries could be induced through linking institu-

tions, such as community colleges linking artists and entrepreneurs through an arts-based small business incubator, arts councils linking artists and charities, or an organization linking consumers and artists through creating a studio tour or an arts festival. People with expertise can be brought together with people who need it, such as a skilled art business manager running a workshop for local artists that specifically addresses artists' needs. These actions could be carried out by a community college with local government involvement, and philanthropic organizations can also do more "grassroots" work, but again, the secret is artist involvement. Elements that are harder to control include how attractive a place is for artists and high earners, proximity to a strong market for art, and the strength of the regional and national economy overall as the creative sector depends largely on an extra-local art market. Finally, the contribution of arts to the general creativity of an economy or region is hard to identify and measure and thus difficult to induce, but is part of a vital society that encourages innovation of all kinds.

Places that could model art-based economic development on the activities found in Chatham include locations with small towns and downtowns that are experiencing declining economic vitality and are in need of historic preservation and new small businesses. Arts-based businesses or an arts incubator, in addition to public art, could help revitalize a commercial district by drawing tourists and creating a regional identity for a town. Areas with a large population of artists who are selling individually or outside the county also have high potential for networking and activities that pool resources, resulting in improved art sales, higher revenue contribution to the local area, and possibly increased tourism. Potential sites would need an existing artist population or a viable way to attract artists, and equally important, access to a healthy art market. Also, willingness on the part of local government officials and other entities to support arts-based strategies would be important. This situation is more likely in areas with visible existing artistic assets, fewer conventional economic development options, and a population with the interest and means to support the arts, all of which can be found in many of North Carolina's rural areas adjacent to its growing metro areas.

Looking Forward

Chatham County has many arts- and creativity-related assets, including a concentration of artists, activities that formally link arts and economic development, and residents who care deeply about their home. These activities are the result of both historical circumstance and intentional interventions. The county's heritage of artists such as potters and folk musicians has been augmented by a more recent influx of artists in the past few decades, largely due to the county's location and rural character. Community leaders in Chatham have stepped forward to create linkages in many projects, such as in the creation and promotion of the Studio Tour, the activities at the NC Arts Incubator and local community college, downtown revitalization projects, a continued vibrancy in blues and R&B music, and in the many music events and festivals. Others have encouraged emerging activities like artist involvement in home construction, using creativity in creating sustainable fuels, finding new talent in minority communities, and using writing or cooking to draw visitors. Links are also in place between arts-related activities and social services, showing the commitment of Chatham's citizens to developing a healthy community.

Local government in Chatham has supported local arts activities through financial contributions to the Arts Incubator in Siler City and smaller but consistent contributions to the

local arts council. In addition, government entities have played a role in lobbying various organizations for funding arts-based projects, notably on behalf of the arts incubator project, and also through promotion of arts-related activities by the Travel and Tourism office. Local government has supported two public art programs, including a mural program in Siler City and proposed art-based welcome signs at major entrances to Chatham. The county planning department has also amended home occupation permits to allow large buildings on residential properties to be used as studios. Still, local government officials acknowledge there are many competing issues in Chatham, and arts are not always the first priority. Many arts supporters in the county call for further involvement from local government in arts activities, in terms of greater acknowledgement and support of art as economic development, more emphasis on art in public schools, increased marketing of the county's artistic resources, and facilitating linkages between arts and developers.

Considering the number of working artists in the county and the many arts-related activities in Chatham, along with its proximity to a large art market, it is safe to say that arts activities have high potential for continued impact on the local economy. Primary assets to be used in fulfilling this potential include the artist population, the incubator project, the studio tour, many successful bridging events, and the many artistic events. Also, impending population growth could mean increased funding for local arts and greater participation in arts activities. Challenges to be overcome in coming years include internal miscommunication or misunderstanding between different groups, such as between artists and local government, and the inclusion of all county citizens, especially minority groups and youth, in arts activities and business assistance programs for artists and musicians. Further challenges include the uncertainty about the impact of population growth and development, and concern over the county's difficulty in retaining a viable commercial and retail base and high-wage, high-skill employment opportunities.

From a policy perspective, Chatham's artistic potential could be enhanced through incentives or assistance for art-based businesses in the downtowns, more assistance for "home-grown" creative businesses or events, further business workshops for artists, increased support for the arts incubator, and facilitating artist collaboration with developers. Also, local businesses could be offered tax incentives to buy local art, or new developments could donate a portion of their costs to support art programs. Emerging market niches for art include increasing artist involvement in home construction, creative manufacturing, and agri-tourism; an emerging film production industry; talented minority populations; an unexploited market for art supplies and performance venues; and further potential for tourism in Chatham's downtowns. Other ideas suggested by local residents include establishing an arts center that would offer classes and high-profile performances, or a conference center featuring local art that would include restaurants and accommodations for visitors, neither of which currently exist in Chatham. The possible impact of a creative environment on the overall economy is more difficult to predict, but the possibility that small businesses could collaborate with artists shows promise. However, more ties between artists and small businesses are needed, and the county would also need to increase its overall number of businesses, small and large, that are interested in using creativity and art for competitive advantage.

Arts are put forth as more sustainable and rooted in place than other industries, which are more subject to "footloose" capital. Sudden closures can have a devastating impact on a community, as seen in the many recent textile factories that have shut down throughout the state, including in Chatham County. Many argue that artists are more sta-

ble because they have chosen to live in a place based on factors beyond their employment, and are not dependent on a single industry. However, some also see artists as mobile, in that as they grow their career and become more successful, they may move to a place with more opportunities. However, there are many different types of artists, and very few actually become successful in a place like New York City or even a local larger metro area like Raleigh. In addition, many do not want to pursue a high level of fame and fortune as artists, because of the toll it would take on their lifestyle and families. Many have homes and have made lives in places like Chatham with their families and are long-time residents. Whether artists stay in Chatham depends on unforeseen circumstances, and only time will tell if in the balance art-based businesses in the county are more enduring than other types of industries. Because of the commitment many artists have to Chatham, and because the future of the regional economy appears positive, chances are that the county will continue to enjoy its concentration of artists and will grow its vital, unique creative economy.

Notes

1. Total employment includes those in establishments and those who are self-employed. Core artistic industrial sectors include those in which most or all enterprises are dedicated to arts- and design-based activities.
2. US Census 2000.
- 3 Chatham County website, <http://www.co.chatham.nc.us>
4. US Census 2000.
5. Chatham County website, "About Chatham County, Economy"
<http://www.co.chatham.nc.us/AboutChathamCounty/Profile.htm#Economy>
6. NC Department of Commerce, Economic Development Information System, County Profiles (Chatham County), 4th Quarter 2005.
<http://cmedis.commerce.state.nc.us/countyprofiles/>
7. Press release available at Chatham County website, <http://www.co.chatham.nc.us/>
8. *Chatham County Land Conservation and Development Plan*. 2001: 28.
9. See Strom, Jennifer. 2004. "Paradise Tossed." *The Independent Weekly*. January 7, 2004. Cover story. Available at <http://indyweek.com/durham/2004-01-07/cover.html>; Strom, Jennifer. 2005. "Sprawl Envelopes Northeast Chatham." *The Independent Weekly*. February 23, 2005. Available at <http://indyweek.com/durham/2005-02-23/triangles2.html>
10. Triangle J Council of Governments website, <http://www.tjcog.dst.nc.us/>
11. Research Triangle Regional Partnership website, <http://www.researchtriangle.org/>
12. We can assume this figure is an undercount because it includes only those artists who wish to join the arts council, for a fee, and be listed in its directory (available at the Chatham Arts website, <http://www.chathamarts.org/directory.htm>).
13. Studio Tour fees for artists include a \$20 processing fee to apply. If accepted there is a fee of \$350 or \$250 if they volunteer for ten hours, which is encouraged.
14. These limitations include: first the fact that it is juried discourages some artists who are not accepted; second, two-thirds of the artists are clustered in wealthier northeastern Chatham; third, there has been little representation from minority groups despite recruiting efforts by organizers; and fourth, it does not typically benefit musicians, performers, or writers.
15. Other networking opportunities for artists include the many nearby artist guilds, such as the Triangle Potter's Guild, which provide resources and forums for social and technical networking.
16. Chatham has many other tourist attractions, including outdoor recreation opportunities on rivers or nearby Jordan Lake, various agritourism options such as berry picking and farm visits, the Inn at Celebrity Dairy (an inn at a local dairy farm), the Southern Supreme Gourmet Specialties fruitcake factory that offers popular tours and a bakery, and a NASCAR-themed café.