

The State of Black Asheville: Economic Development

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1. Introduction

The City of Asheville is consistently ranked in top publications as an excellent destination to visit, start a new business, and retire.¹ Asheville prioritizes its ability to attract new residents and promote economic growth. However, not all segments of Asheville's population are benefitting equally from Asheville's continued economic development. Particularly after the nation's economy took a devastating hit, in this time of renewal it is important that economic opportunity and prosperity is available regardless of race.

2. Data Collection

Data was inconsistent and difficult to come by. As this paper was last written in 2008, and 2010 U.S. Census data is not yet fully available, many of these statistics are taken from the 2005-2009 Community Values Survey, which predicts figures based on past census data. However, in light of the recent economic downturn, many of these predictions severely underestimate the effect the economic downturn has on Asheville's Black community.

3. "The Great Recession"

In the late 2000s, the United States housing bubble collapsed, triggering a series of events that caused a severe economic recession on a global scale. Experts argue about the timeline, but most point to late 2007 or early 2008 as the point when the recession began in earnest. In January 2007, the unemployment rate was 5 percent, and peaked at 10.1 percent by October 2009.² By

¹ Ranked Best Places to Retire by TopRetirements.com, February 2011; 6th among all US cities as a place to do business by Forbes.com, July 2010; #1 of Top 25 Small American Cities by American Style, May 2010; #21 of Forbes 200 Best places for Business and Careers, April 2010.

² Bureau of Labor Statistics, see Table 1

March 2011, the unemployment rate fell to 8.8 percent, the lowest since March of 2009.³ Median income for all races fell dramatically. However, as Table 2 demonstrates, the decline for Black households was 4.4 percent, much larger than the 1.6 percent decline for White households.⁴ Poverty is also on the rise, increasing to a fifteen-year high of 14.3 percent.⁵ Again, Black communities experience much higher rates of poverty. In 2008, while 11.2 percent of Whites lived below 125 percent of poverty level, 24.7 of Blacks lived below the same threshold.⁶

4. Budget Cuts in North Carolina

In addition to increasing poverty and unemployment, the recession greatly affected the abilities of state and local governments to maintain balance budgets. Budget cuts were deep and dramatic, particularly after federal stimulus money was exhausted. In North Carolina, the state must close a \$2.7 billion gap, down from \$3.7 billion just two months ago.⁷ The programs experiencing the deepest cuts are those that provide for the under-served, leading to cuts affecting Black communities disproportionately. While other sections of this paper will demonstrate this in more detail, this section will provide a quick snapshot of some of these programs.

The Republican-led house made a budget recommendation that cuts 15 percent from the UNC school system, 9 percent from public schools, with deeper cuts in early childhood

³ Ibid.

⁴ Income, Poverty, and Insurance Coverage in the United States: 2009, US Census Bureau and US Department of Commerce, see Table 2

⁵ <http://www.nytimes.com/2010/09/17/us/17poverty.html>

⁶ Census Bureau <http://www.census.gov/compendia/statab/2011/tables/11s0710.pdf> see Table 3

⁷ <http://www.governor.state.nc.us/budgetapp/default.aspx> see Table 4

education programs such as Smart Start and More at Four. Smart Start must use at least 30 percent of its funding to serve low-income families, and have succeeded on many fronts in increasing the quality and availability of early childhood education for these communities. For example, as of 2010, 94 percent of special needs children from low-income families were in high quality care, as compared with only 61 percent in 2001. While data regarding the race of populations served is unavailable, Blacks make up 33 percent of those in poverty in North Carolina, suggesting that these cuts will severely affect Black communities.⁸

The budget also proposes more than a \$1 billion cut from health and human services, with \$710 million coming from Medicaid.⁹ And, while Blacks make up only about 21.6 percent of North Carolina's population, Blacks receive 38 percent of all Medicaid assistance.

According to one North Carolina journalist, the budget draft proposed by North Carolina House Republicans will "hurt the vulnerable, pink-slip thousands of teachers and generally set the state back years on environmental protections and other vital concerns."¹⁰

5. Positive Growth?

Population. According to the most recent U.S. Census data, Buncombe County's population rose to 238,318 in 2010, a 15.5 percent increase from the year 2000. Asheville's population rose 21 percent in the same period to 83,393 people, compared to just 18 percent growth state-wide.

⁸ <http://www.statehealthfacts.org/profileind.jsp?ind=14&rgn=35&cat=1>

⁹ <http://www2.journalnow.com/news/2011/apr/23/wsopin02-maybe-the-dumbest-cut-of-all-ar-971719/>

¹⁰ <http://www.charlotteobserver.com/2011/04/24/2245423/nc-house-budget-plan-is-way-too.html#ixzz1KTKFRoXq>

Employment. Organizations such as the Asheville Chamber of Commerce paint a positive picture of Asheville's economic development, calling Asheville an emerging "hot spot for business innovation, technology, and creativity."¹¹

The five largest employers in Asheville are Buncombe County Public Schools, Mission Health System and Hospital, the City of Asheville, The Biltmore Company, and the Buncombe County Government.¹² State and local budget cuts in government services, education, and health care will certainly affect four of five of these organizations.

According to the Chamber of Commerce, the five industries that employ the largest numbers of people are Private Educational and Health Services (18.5 percent), Government (15.8 percent), Manufacturing (10.8 percent), Retail (13.4 percent), and Leisure and Hospitality (14.2 percent). Of the top five, only Educational and Health Services has seen positive employment growth since 2006.¹³ Asheville City Government statistics show that from the third quarter of fiscal year 2008-2009 to same quarter of fiscal year 2009-2010, only Government showed any positive growth. Despite positive overtures about the end of the recession and increasing economic development from public and private sectors, all industries saw declines except Health Services and Private Education and Leisure and Hospitality, which remained constant.¹⁴

Unemployment. According to Asheville City government data, unemployment rose in this time period as well, with Asheville City experiencing 7.7 percent unemployment in the third quarter of fiscal year 2008-2009 and 8.5 percent in the same quarter of fiscal year 2009-2010.

¹¹ <http://www.ashevillechamber.org/economic-development>

¹² Asheville Chamber of Commerce

¹³ See Table 5

¹⁴ See Table 6

The Bureau of Labor Statistics confirms Asheville City government data, also reporting 8.5 percent unemployment in Asheville as of February 2011.¹⁵ Asheville has lower unemployment compared to North Carolina as a whole, which the Bureau of Labor Statistics estimates to be 9.7 percent as of March 2011.¹⁶

Median Income. The Asheville Chamber of Commerce reports the Asheville City median income to be \$39,774 and Asheville Metro median income to be \$43,445.

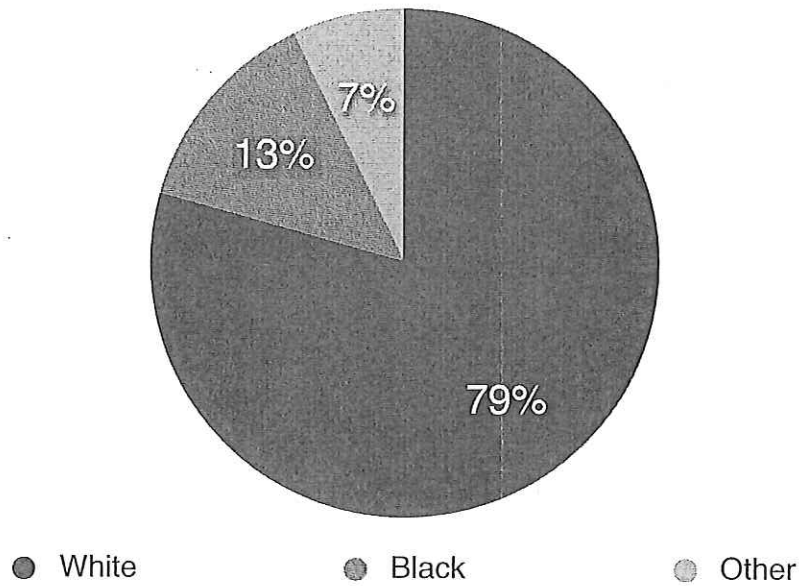
6. Disparities

Population. According to the 2010 U.S. Census data, of the 81,226 Asheville City residents that identify as one race, 13.4 percent (11,134 people) identify as Black or African American, compared to 79.3 percent (66,143 people) that identify as White. The population ratio of Whites to Blacks is roughly six Whites for every Black individual, up one and a half since the year 2000.

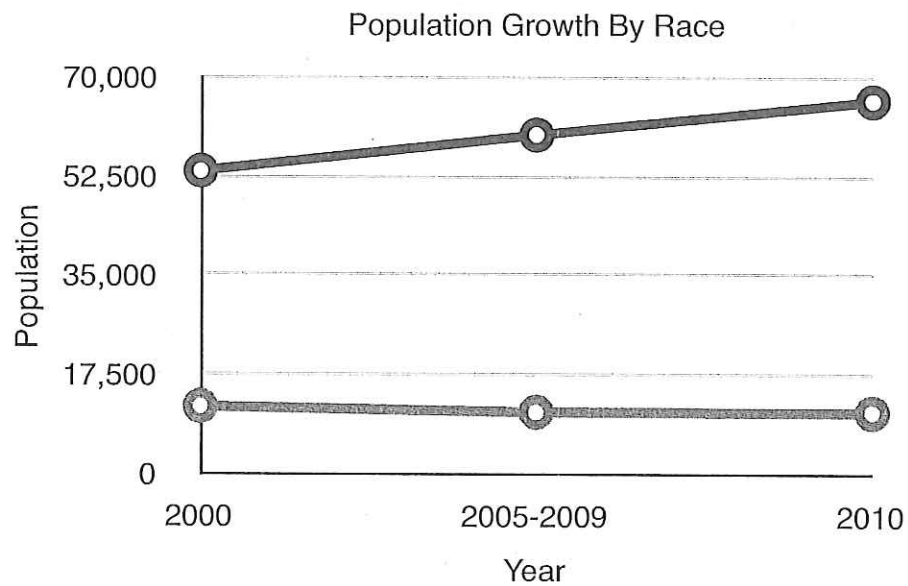
¹⁵ BLS <http://www.bls.gov/web/metro/laummtrk.htm>

¹⁶ <http://www.bls.gov/web/laus/laughsthl.htm>

Population By Race (2010)



In fact, the Black population was 12,129 in the year 2000, meaning that despite Asheville's overall population growth of 21 percent from 2000 to 2010, Asheville's Black community shrank



8.2 percent in the same time period.

Median Income. Updated information regarding median income based on race that is specific to Asheville City, Buncombe County, or North Carolina is unavailable. According to 2000 U.S. Census data, in 1999 the median household income for Blacks was \$18,772 while median household income for Whites was \$35,756. The most recent data available is for the United States at large in 2008, which estimates median household income for Blacks was \$34,218 while median household income for Whites was \$52,312.

Poverty. U.S. Census data predicted that in 2009, 19.9 percent of Asheville City residents (14 percent of families) lived below the poverty level. This is much higher than the state-wide predicted average, where 15.1 percent of individuals (11.1 percent of families) lived in poverty. However, using U.S. Census Bureau's March 2009 and 2010 Current Population Survey, the Kaiser Family Foundation estimated North Carolina's poverty rate to be 20 percent in 2008-2009. Of the impoverished in North Carolina, 33 percent are Black and 13 percent are White.

Unemployment. In North Carolina in 2010, 17.4 percent of Blacks are unemployed, compared with just 8.7 percent of Whites.¹⁷

Business Ownership. The 2007 Survey of Business Owners (SBO) defines Black-owned businesses as firms in which Blacks own 51 percent or greater. In Asheville, the Minority Business Program attempts to "identify minority businesses and offer them an opportunity to participate as providers of goods and services to the city." The City of Asheville asserts that its policy is to

"(1) provide minorities equal opportunity to participate in all aspects of city contracting and purchasing programs, including but not limited to, participation in

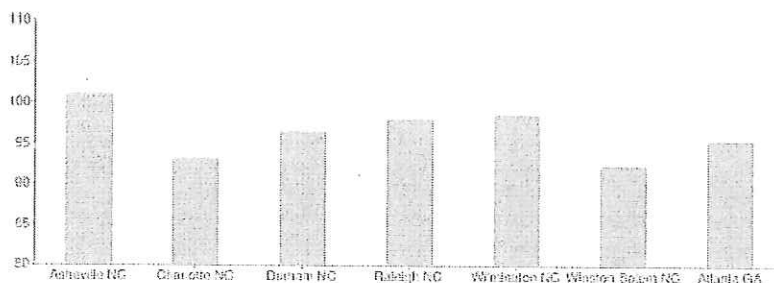
¹⁷ bls <http://www.bls.gov/lau/ptable14full2010.pdf>

procurement, professional and construction contracts; (2) prohibit discrimination against any person or business in pursuit of these opportunities on the basis of race, color, sex, religion, disability, familial status, or national origin, and to conduct its contracting and purchasing programs so as to prevent any discrimination and to resolve all claims of such discrimination.”¹⁸

However, in Buncombe County, where Blacks make up 5.9 percent of the population eighteen years and over, they owned only 1.7 percent of businesses in 2007 - 517 out of 29,566 total firms.¹⁹ This is far below the number of Black-owned businesses statewide, where Blacks make up 20.6 percent of the population eighteen years and over, which is 10.5 percent (83,900 total firms).

7. Cost of Living

Wages. The U.S. Bureau of Labor Statistics provides data that indicate income disparities in Asheville. To date, the median hourly wage for all occupations in Asheville is \$13.90, compared with \$14.70 for North Carolina generally and \$15.95 for the nation at large.²⁰ Despite Asheville’s comparatively low wages, it has the highest cost of living of any metropolitan area in the state.



¹⁸ http://www.ashevilleenc.gov/business/business_with/minority_business/default.aspx?id=532

¹⁹ US Census data

²⁰ http://www.bls.gov/oes/current/oes_nc.htm#00-0000

Cost of Living²¹

Asheville is also more expensive to live in than in any metropolitan area in Tennessee, Georgia, and South Carolina. According to Asheville Chamber of Commerce Data, Asheville has a higher cost of living than Charlotte, Durham, Raleigh, Wilmington, Winston-Salem, Atlanta, Charleston, Columbia, and Chattanooga.²²

Home ownership. As of March 2010, the North Carolina Association of Realtors estimates the home cost in Asheville to be \$226,779.

Food. Food Research Action Center ranked Asheville seventh in highest rates of food hardship, with 23.9% of residents experiencing some level of food insecurity. This is certainly related to Asheville having a 104.6 cost of living index rating for food.

8. Conclusions and Proposals

One of the difficulties encountered by the researchers while collecting data for this report was that there was little data to be found about employment or average wages in Asheville based on race. This data will become available as the full U.S. Census findings are released throughout the summer.

The economy of the Asheville metro area, with regards to its people, workers, and income levels, is out of balance. If the current situation continues unchecked, the scales may tip further, and the disparities in economic development will remain unresolved. This problem affects all of those who are underpaid, underemployed, or unemployed in Asheville, regardless of their race, but it affects Black citizens disproportionately. Particularly in light of the deep cuts to

²¹ Asheville Chamber of Commerce graphic

²² <http://www.ashevillechamber.org/economic-development/research-and-reports/cost-living-reports>

government-provided social services, such as education, Medicaid, food and housing assistance, and the accompanying increases in cost of living, these disparities are likely to be reinforced and widened in the coming years.

However, there are ways to turn this tide. The National Urban League, in “The State of Black American 2010,” created a plan for creating jobs that can be adapted at a local level. They recommend direct job creation by offering financial support to “cities, counties, states, universities, community-colleges and non-profit community organizations” who hire individuals that are unemployed long-term. In Asheville, local businesses could be eligible for tax breaks or other financial incentives if they make hiring decisions based on the National Urban League’s recommendation.

The City of Asheville should uphold its purported commitment to extending contracts to Black-owned businesses and devote more resources to the Minority Business Program. It would be helpful to initiate Affirmative Action as a policy in deciding contracts to address disparities in wealth, employment, and business ownership. The National Urban League suggests that the Small Business Administration’s Community Express Loan Program should be expanded and expedited, and interest rates should be reduced “for loans made to businesses located in areas where the local unemployment rate exceeds the state average.” In addition, Asheville could benefit the Black community by reducing loan interest rates and making credit available to businesses that are either Black-owned or have large numbers of Black employees. However, these benefits should only be available to businesses who pay their employees a living wage.

The City of Asheville should also continue to invest in Green Empowerment organizations, such as Green Opportunities (GO) and other urban green jobs academies.

Additionally, investments in Black neighborhoods should be increased, particularly in the downtown area known as The Block.

Community college tuition should not be increased, and all local universities, particularly UNC Asheville, should make a greater effort to recruiting from the Black community in Asheville. Scholarships and reduced tuition should be available to qualifying local Black students. It is the responsibility of the educational institutions to invest in their home communities, which will result in economic rewards for both the Black community and greater Asheville.

Investing in education will also increase the number of high-paying, high-skilled jobs that Asheville so desperately lacks. An economy built on the service industry is one guaranteed to reward only a few with prosperity, while providing mostly low-paying, entry-level jobs for the majority.

Overall, policymakers can best benefit Asheville's under-served population by striving to raise the standard of living for *workers* in Asheville to meet the cost of living raised by the tourists, vacationers, seasonal residents, and retirees that many of Asheville's industries and workers serve.

[illegible]

Table 2. Median Household Income by Race

Table 1.
Income and Earnings Summary Measures by Selected Characteristics: 2008 and 2009—Con.
(Income in 2009 dollars. Households and people as of March of the following year. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/apsd/techdoc/cps/cpsmar10.pdf)

Characteristic	2008			2009 ¹			Percentage change in real median income	
	Number (thousands)	Median income (dollars)		Number (thousands)	Median income (dollars)		Estimate	90 percent confidence interval ² (±)
		Estimate	90 percent confidence interval ² (±)		Estimate	90 percent confidence interval ² (±)		
PER CAPITA INCOME ⁵								
Total ³	301,483	26,862	161	304,280	26,530	160	*-1.2	0.70
White	240,852	28,394	185	242,403	28,034	183	*-1.3	0.76
White, not Hispanic	197,159	31,194	216	197,436	30,941	214	-0.8	0.81
Black	38,076	18,336	326	38,624	18,135	327	-1.1	2.10
Asian	13,315	30,177	916	14,011	30,653	1,053	1.6	3.90
Hispanic (any race)	47,485	15,615	292	48,901	15,063	276	*-3.5	1.87

* Statistically different from zero at the 90 percent confidence level.

¹ Medians are calculated using \$2,500 income intervals. Beginning with 2009 income data, the Census Bureau expanded the upper income intervals used to calculate medians to \$250,000 or more. Medians falling in the upper open-ended interval are plugged with "\$250,000." Before 2009, the upper open-ended interval was \$100,000 and a plug of "\$100,000" was used.

² A 90 percent confidence interval is a measure of an estimate's variability. The larger the confidence interval in relation to the size of the estimate, the less reliable the estimate. For more information, see "Standard Errors and Their Use" at www.census.gov/hhes/www/p60_238sa.pdf.

³ Federal surveys now give respondents the option of reporting more than one race. Therefore, two basic ways of defining a race group are possible. A group such as Asian may be defined as those who reported Asian and no other race (the race-alone or single-race concept) or as those who reported Asian regardless of whether they also reported another race (the race-alone-or-in-combination concept). This table shows data using the first approach (race alone). The use of the single-race population does not imply that it is the preferred method of presenting or analyzing data. The Census Bureau uses a variety of approaches. Information on people who reported more than one race, such as White and American Indian and Alaska Native or Asian and Black or African American, is available from Census 2000 through American FactFinder. About 2.6 percent of people reported more than one race in Census 2000. Data for American Indians and Alaska Natives, Native Hawaiians and Other Pacific Islanders, and those reporting two or more races are not shown separately in this table.

⁴ The "Outside metropolitan statistical areas" category includes both micropolitan statistical areas and territory outside of metropolitan and micropolitan statistical areas. For more information, see "About Metropolitan and Micropolitan Statistical Areas" at www.census.gov/population/www/estimates/aboutmetro.html.

⁵ The data shown in this section are per capita incomes and their respective confidence intervals. Per capita income is the mean income computed for every man, woman, and child in a particular group. It is derived by dividing the total income of a particular group by the total population in that group (excluding patients or inmates in institutional quarters).

Source: U.S. Census Bureau, Current Population Survey, 2009 and 2010 Annual Social and Economic Supplements.

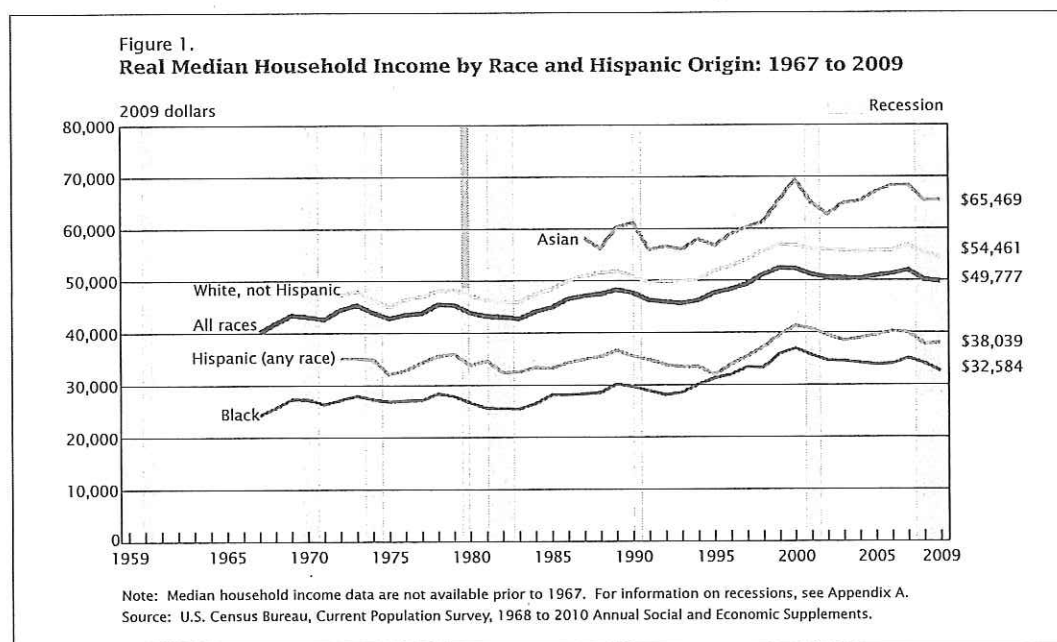


Table 3. People Below Poverty By Race

Table 709. Poverty Thresholds by Size of Family Unit: 1980 to 2008

[In dollars per year. For information on the official poverty thresholds; see text, this section. For more on poverty, see <<http://www.census.gov/hhes/www/poverty/about/overview/measure.html>>]

Size of family unit	1980	1990	1995	2000 ¹	2004 ²	2005	2006	2007	2008
One person (unrelated individual) ³	4,190	6,652	7,763	8,791	9,646	9,973	10,294	10,590	10,991
Under 65 years old	4,290	6,800	7,929	8,959	9,827	10,160	10,488	10,787	11,201
65 years old and over	3,949	6,268	7,309	8,259	9,060	9,367	9,669	9,944	10,326
Two persons	5,363	8,509	9,933	11,235	12,335	12,755	13,167	13,540	14,051
Householder under 65 years old	5,537	8,794	10,259	11,589	12,714	13,145	13,569	13,954	14,489
Householder 65 years old and over	4,983	7,905	9,219	10,418	11,430	11,815	12,201	12,550	13,030
Three persons	6,565	10,419	12,158	13,740	15,066	15,577	16,079	16,530	17,163
Four persons	8,414	13,359	15,569	17,604	19,307	19,971	20,614	21,203	22,025
Five persons	9,966	15,792	18,408	20,815	22,830	23,613	24,382	25,080	26,049
Six persons	11,269	17,839	20,804	23,533	25,787	26,683	27,560	28,323	29,456
Seven persons	12,761	20,241	23,552	26,750	29,233	30,249	31,205	32,233	33,529
Eight persons	14,199	22,582	26,237	29,701	32,641	33,610	34,774	35,816	37,220
Nine or more persons	16,896	26,848	31,280	35,150	39,062	40,288	41,499	42,739	44,346

¹ Implementation of Census 2000-based population controls and sample expanded by 28,000 households. ² The 2004 data have been revised to reflect a correction to the weights in the 2005 Annual Social and Economic Supplement (ASEC). ³ A person living alone or with non-relatives.

Source: U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2008*, Current Population Reports, P60-236, and Historical Tables—Table 1, September 2009. See also <<http://www.census.gov/hhes/www/poverty/poverty.html>> and <<http://www.census.gov/hhes/www/poverty/data/historical/people.html>>.

Table 710. People Below Poverty Level and Below 125 Percent of Poverty Level by Race and Hispanic Origin: 1980 to 2008

[29,272 represents 29,272,000. People as of March of the following year. Based on Current Population Survey, Annual Social and Economic Supplement (ASEC); see text, this section, Section 1, and Appendix III. For data collection changes over time, see <<http://www.census.gov/hhes/www/income/data/historical/history.html>>]

Year	Number of persons below poverty (1,000)					Percent of persons below poverty					Below 125 percent ^a of poverty level	
											Number (1,000)	Percent of total pop- ulation
	All races ¹	White ²	Black ³	Asian and Pacific Island- er ⁴	His- panic ⁵	All races ¹	White ²	Black ³	Asian and Pacific Island- er ⁴	His- panic ⁵		
1980	29,272	19,699	8,579	(NA)	3,491	13.0	10.2	32.5	(NA)	25.7	40,658	18.1
1985	33,064	22,860	8,926	(NA)	5,236	14.0	11.4	31.3	(NA)	29.0	44,166	18.7
1987 ⁷	32,221	21,195	9,520	1,021	5,422	13.4	10.4	32.4	16.1	28.0	43,032	17.9
1988	31,745	20,715	9,356	1,117	5,357	13.0	10.1	31.3	17.3	26.7	42,551	17.5
1989	31,528	20,785	9,302	939	5,430	12.8	10.0	30.7	14.1	26.2	42,653	17.3
1990	33,585	22,326	9,837	858	6,006	13.5	10.7	31.9	12.2	28.1	44,837	18.0
1991	35,708	23,747	10,242	996	6,339	14.2	11.3	32.7	13.8	28.7	47,527	18.9
1992 ⁸	38,014	25,259	10,827	985	7,592	14.8	11.9	33.4	12.7	29.6	50,592	19.7
1993 ⁹	39,265	26,226	10,877	1,134	8,126	15.1	12.2	33.1	15.3	30.6	51,801	20.0
1994	38,059	25,379	10,196	974	8,416	14.5	11.7	30.6	14.6	30.7	50,401	19.3
1995	36,425	24,423	9,872	1,411	8,574	13.8	11.2	29.3	14.6	30.3	48,761	18.5
1996	36,529	24,650	9,694	1,454	8,697	13.7	11.2	28.4	14.5	29.4	49,310	18.5
1997	35,574	24,396	9,116	1,468	8,308	13.3	11.0	26.5	14.0	27.1	47,853	17.8
1998	34,476	23,454	9,091	1,360	8,070	12.7	10.5	26.1	12.5	25.6	46,036	17.0
1999 ¹⁰	32,791	22,169	8,441	1,285	7,876	11.9	9.8	23.6	10.7	22.7	45,030	16.3
2000 ¹¹	31,581	21,645	7,982	1,258	7,747	11.3	9.5	22.5	9.9	21.5	43,612	15.6
2001	32,907	22,739	8,136	1,275	7,997	11.7	9.9	22.7	10.2	21.4	45,320	16.1
2002 ¹²	34,570	23,466	8,602	1,161	8,555	12.1	10.2	24.1	10.1	21.8	47,084	16.5
2003	35,861	24,272	8,781	1,401	9,051	12.5	10.5	24.4	11.8	22.5	48,687	16.9
2004 ¹³	37,040	25,327	9,014	1,201	9,122	12.7	10.8	24.7	9.8	21.9	49,693	17.1
2005	36,950	24,872	9,168	1,402	9,368	12.6	10.6	24.9	11.1	21.8	49,327	16.8
2006	36,460	24,416	9,048	1,353	9,243	12.3	10.3	24.3	10.3	20.6	49,688	16.8
2007	37,276	25,120	9,237	1,349	9,890	12.5	10.5	24.5	10.2	21.5	50,876	17.0
2008	39,829	26,990	9,379	1,576	10,987	13.2	11.2	24.7	11.8	23.2	53,805	17.9

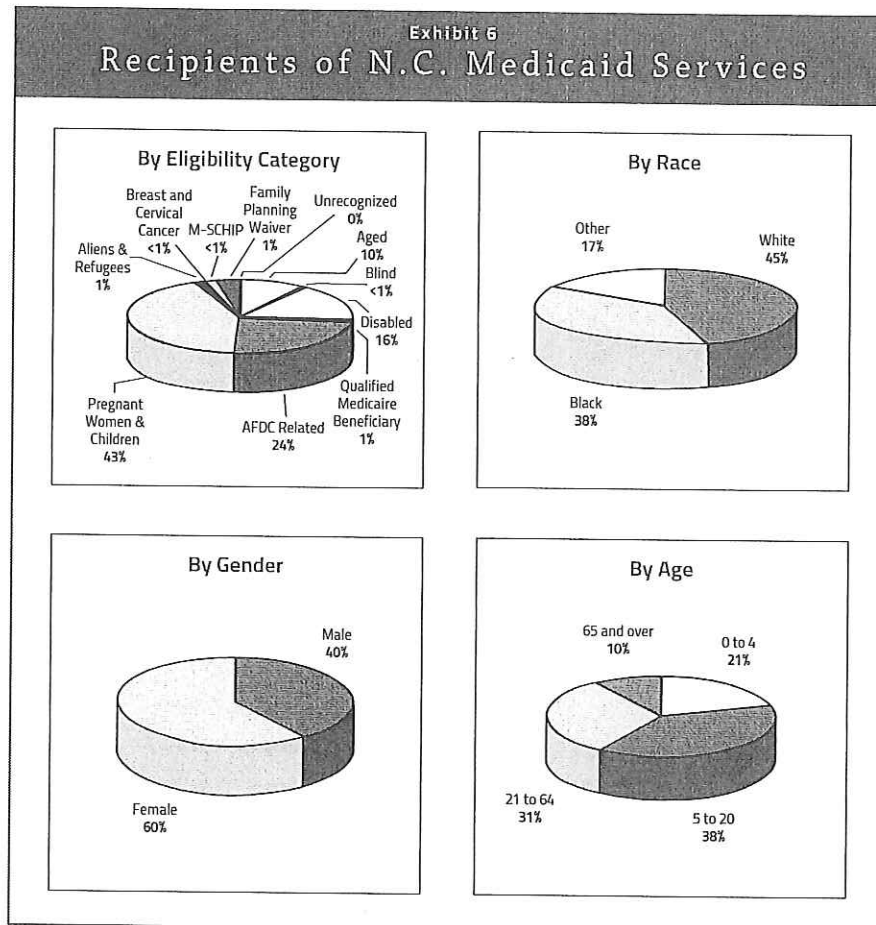
NA Not available. ¹ Includes other races, not shown separately. ² Beginning 2002, data represent White alone, which refers to people who reported White and did not report any other race category. ³ Beginning 2002, data represent Black alone, which refers to people who reported Black and did not report any other race category. ⁴ Beginning 2002, data represent Asian alone, which refers to people who reported Asian and did not report any other race category. ⁵ People of Hispanic origin may be any race.

⁶ Includes those in poverty, plus those who have income above poverty but less than 1.25 times their poverty threshold.

⁷ Implementation of a new March CPS processing system. ⁸ Implementation of 1990 census population controls. ⁹ The March 1994 income supplement was revised to allow for the coding of different income amounts on selected questionnaire items. Limits either increased or decreased in the following categories: earnings increased to \$999,999; social security increased to \$49,999; supplemental security income and public assistance increased to \$24,999; veterans' benefits increased to \$99,999; child support and alimony decreased to \$49,999. ¹⁰ Implementation of Census-2000-based population controls. ¹¹ Implementation of sample expansion by 28,000 households. ¹² Beginning with the 2003 Current Population Survey (CPS), the questionnaire allowed respondents to choose more than one race. For 2002 and later, data represent persons who selected this race group only and exclude persons reporting more than one race. The CPS in prior years allowed respondents to report only one race group. See also comments on race in the text for Section 1, Population. ¹³ Data have been revised to reflect a correction to the weights in the 2005 ASEC.

Source: U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2008*, Current Population Reports, series P60-236, and Historical Tables—Tables 2 and 6, September 2009. See also <<http://www.census.gov/hhes/www/poverty/poverty.html>> and <<http://www.census.gov/hhes/www/poverty/data/historical/people.html>>.

Table 4. Recipients of N.C. Medicaid Services by Race



Forty-five percent of recipients were white, compared to 68 percent in the general N.C. population; 38 percent were black, compared to 22 percent; and the remaining 17 percent were of other races, compared with 10 percent. A total of 60 percent of recipients were female and 40 percent male, compared to 51 and 49 percent respectively in the general N.C. population. When Medicaid recipients are grouped by age, children ages 5 to 20 constitute the largest group (38 percent, versus 24 percent general population), while adults aged 21 to 64 are the second-largest group (31 percent, versus 57 percent), followed by young children from birth to age 4 (21 percent, versus 7 percent) and the elderly ages 65 and older (10 percent, versus 12 percent).

Table 5. Industry Employment (in thousands)



Source: U.S. Bureau of Labor Statistics, August-August

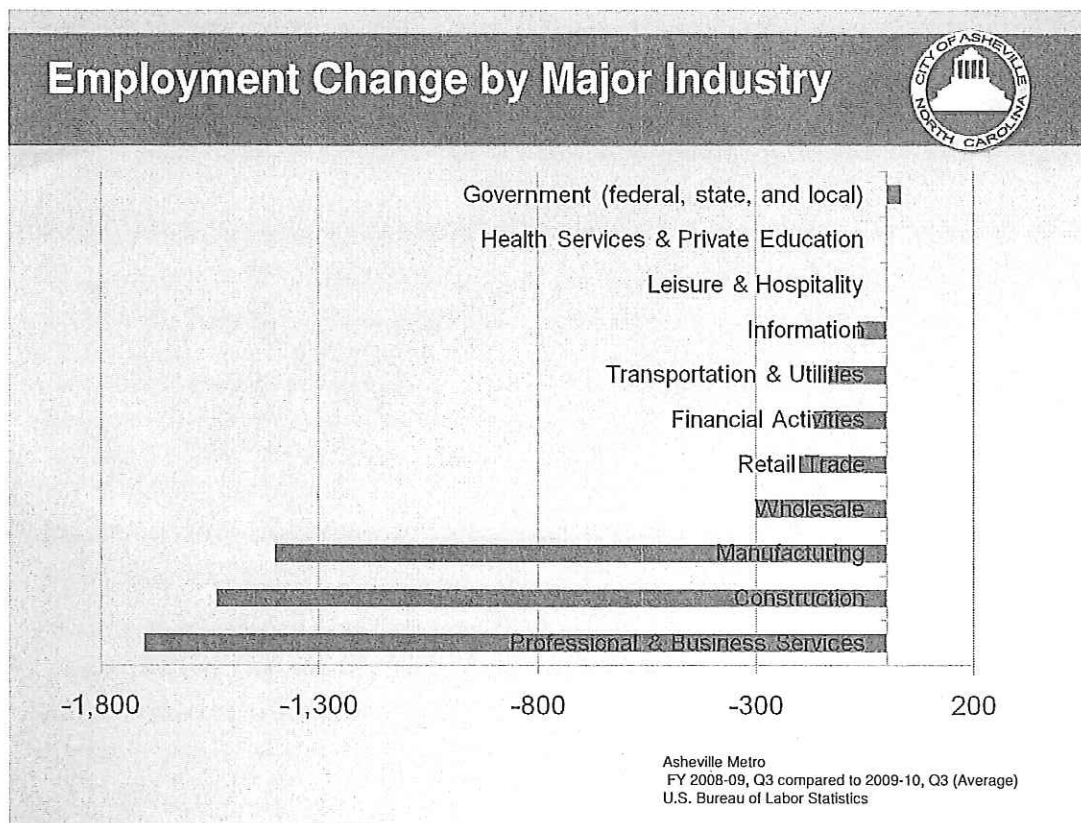
The Asheville Metro consists of Buncombe, Haywood, Henderson and Madison counties

Updated: September 2010

From Chamber of Commerce Website

Table 6. Employment Change by Major Industry

http://www.ashevillenc.gov/uploadedFiles/Business/Business_In/Economic_Development/Presentations_and_Reports/



Minnie Elliott

The YMI and The Block

Economic Development

There is prime potential real estate located East of Pack Square and the Asheville Police Department, just a few steps off of Biltmore Avenue, on Eagle and Market Street. This area is what's called "The Block". The Block contains rich culture through many of its businesses, including the YMI Cultural Center, an African American historical landmark, Mt. Zion Missionary Baptist church, and "Simma' Down" Caribbean restaurant. Walk up the road to Biltmore Avenue, however, and there a totally different dynamic. There is a drastic change in wealth and poverty only divided by a street. The City of Asheville has proposed a Master Plan which aims to cultivate its creative, cultural, and historic character. It hopes of developing the segregated Block into a "multi-cultural" area. Although the term "multicultural" is not defined in the Master Plan, it is clear that the City of Asheville does not want to reserve The Block for the African American community. By enforcing this plan, it would displace many of the current poor residents and business owners out of their buildings of home and production, and eventually dilute the very culture of the historically-recognized African American community. Although the term "multi-cultural" is often associated with suitability, it is not always so.

Eagle Market Streets Development Corporation. EMSDC is a nonprofit, minority business organization which works with the Asheville Buncombe County community in Western NC, by providing property development, economic development and access to human services. The EMSDC has recently established a partnership revitalization of "The Block", which

promises to help design and help restore Asheville's historic black business district as a thriving, residential, and "economically vibrant" community.

The Master Plans states, "Eagle/Market District Eagle/Market holds a special place in Downtown due to its role as the historic center of Asheville's African-American community. While businesses, housing and institutions operated by African-Americans are no longer confined to Eagle/Market, the district remains an important symbolic place. Eagle/Market needs to be a place that belongs to, welcomes, and is an integral part of the entire Downtown community. Both community development corporations in Eagle/Market have invested in solid redevelopment proposals; both should proceed quickly. The community development corporations should play roles in "filling the gaps" to link this "15-minute neighborhood" to the rest of Downtown. Potential development of the Asheville Area Performing Arts Center and redevelopment of City-owned property along South Charlotte Street/Valley Street should contribute to the identity and vitality of the district.

Hosted by the Asheville Design Company, on Wednesday, March 16th, Dan Johnson, YMI Interim Director, discussed the evolution of the YMI Cultural Center and its impact in The Block. This event was free to the public, with approximately 25 attendees, predominantly white. The YMI provides social and economic opportunities, promotes cultural identity and intercultural activities, and partners with the community as a resource center to promote educational opportunities for the under-served in our community. Mr. Johnson also talked about developmental plans, proposed by a series of organizations, including EMSDC and Asheville Design Center that have been made for the area. Which include redeveloping vacant buildings into work-force housing, creating a café and lounge in the YMI building, opening up a small-scale pharmacy, and hosting a Black History Series for the public to attend each month, and re-

engaging other cultures throughout the community (such as Latino and Greek communities) and expand upon at multicultural partnership. The City of Asheville also has plans of development around "The Block." The initial plans consisted of demolishing the church "Mt. Zion", but the plan was shut down 3 months before demolition was scheduled. "You've got to include the church" said Mr. Johnson on the topic of making cultural progress. "There is no black community where the church is not central to the culture."

The YMI's mission today is to recapture the essence from the past as we move into the future. It plans to expand and recapture the community with prime fundraising events such as the annual Gombay festival, display of artifacts and exhibits, hosting a multi-cultural fair and a monthly Black History Series, where live interviews from people growing up with the YMI share their stories to the public. The YMI would also like to implement a PBS mini-series on the YMI.

The YMI has also proposed a Block Revitalization Initiative, where, as Dan Johnsons says the Block will "work together to share the resources so the block can move forward". By next year, the Eagle Market Street plans to have 72 housing units for the working force. But how to you sell expensive condos with no money? The YMI Educational Resource Center Plans hopes to alleviate this problem by involving the Green Construction training school, where interns and students get desired training by practicing their construction skills by developing on the YMI/Block area.

The Block holds extreme significance to the African American Community of Asheville and the YMI is dedicated to the preservation of its historically black culture. The YMI was developed by the black community in 1892 when it first began its mission of providing social and economic opportunities to African Americans. It is believed by many that the YMI cultural

was built by George Vanderbilt, and while he did offer a \$30,000 loan to develop the YMI, African American artists came up with the idea and followed through with the development of the community. According to Darin Waters, President of the Institute for Historical Research and Education and currently completing his Ph.D. at UNC Chapel Hill with a dissertation on the History of the YMI Cultural Center says that the YMI is truly “The centerpiece of the black community.”

Table 1 - Receipts, Expenditures and Leveraging of CDBG and HOME funds

Income:	CDBG	HOMEVADDI	Other Funds
Unexpended Balance at July 1, 2009	757,494.55	1,095,344.89	n/a
2008 Entitlement Grant	1,235,870.00	1,462,387.00	
Program Income and Other Repayments	165,444.25	543.69	
Adjustments to 2007-08			
Total funds Available	2,158,808.80	2,558,275.58	-
Expenditures:			
Housing	589,400.00	1,223,008.00	20,430,842.85
Economic Development	260,598.00	-	1,109,283.00
Public Services & Fair Housing	214,830	-	2,731,536.30
N'hood Improvements & Infrastructure	-	-	252,875.00
Debt Services	2,849.00	-	-
Planning & Administration	223,059.00	236,777.00	36,993.00
Total Expended:	1,290,736.00	1,459,785.00	24,561,530.15
Unexpended Balance at June 30, 2010	868,072.80	1,098,490.58	n/a

Section III: Leveraging Other Funds

An important feature of our programs is the amount of funding leveraged by use of CDBG and HOME dollars, in other words, the resources that are used along with CDBG and HOME dollars to address consolidated plan objectives.

The last column of Table 1 shows how much was spent from other sources on CDBG- and HOME-assisted activities. It shows that for every CDBG or HOME dollar spent on these activities, at least \$8.93 was leveraged from other sources in FY 2009-2010.

Table 6 - Economic Development Outcomes

Annual Outputs		Performance Measures	Annual Outcomes						
Target	FY 2010		5 Year Target	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	5 Year Result
160 persons assisted in micro-enterprises;	257	# of participants completing a training program	140	72	100	148	199	102	621
		# of small business start ups & expansions	100	61	46	49	39	78	273
		# of FTE* jobs created in these business (not including the owner)	100	14	8	84	17	12	135
		Businesses previously assisted remaining operational after 12 months	40%	74%	No data	No data	No data	No data	74%
20 persons assisted with job training	21	# obtaining sustaining employment	10	0	0	0	0	17	17

* Full-time equivalent

Three CDBG-funded programs contributed towards these targets during the program year: Mountain BizWorks provided business training and technical assistance to entrepreneurs. Mountain BizCapital provided start-up or expansion capital in the form of CDBG loans. Green Opportunities, Inc., under contract to Mountain Housing Opportunities, trained youth from low-wealth Asheville neighborhoods for jobs in the "green collar" employment sector. Ninety percent (90%) of the beneficiaries assisted were low-income. Seventeen percent (17%) were minorities.

The City's Office of Economic Development (OED) implements policies designed to enhance economic opportunities for all residents. The following information was provided by Sam Powers, the OED Director, who reports, "most of the projects and initiatives were partnerships with other city departments and divisions, including community development. We are extremely proud of the work by Community Development, and our success is achieved in direct result of our work together."

Economic Stimulus Package

City Council authorized the City Manager to prepare a list of possible projects and initiatives that could meet the objectives of a national economic recovery package that Congress and the Administration were developing. City staff developed a list of shovel ready infrastructure projects, and the city is issued a community call for possible projects from outside agencies that could meet the criteria of the program.

CDBG PROJECTS

**Eagle Market Streets Development Corporation (EMSDC) - South
Pack Square Redevelopment
HUD # 365 Completed**

CDBG Activity Code: 17C - Commercial/Industrial building acquisition,
construction, rehabilitaiton

Agency: Eagle Market Streets Development Corporation (EMSDC)

Activity Location: South Pack Square Redevelopment Area, Census Tract 1 (88%
low income)

Activity Description: Commercial redevelopment in the historically African
American business center of downtown Asheville. Activities
include acquisition, construction, rehabilitation, and
relocation.

Accomplishments: Targeted redevelopment properties are 17-23 Eagle Street;
38, 46, & 70 S. Market Street, and 3 Wilson Alley.
One Business was relocated, completing all relocation
activities.

HUD Performance Outcome Statement 71 households will receive services for the purpose of
accessing decent, affordable housing.

Budget Information:

CDBG Funds Budgeted This Period:	\$ 27,784
CDBG Funds Expended This Period:	\$ 9,315
CDBG Balance June 30, 2010:	\$ 18,469
State/Local Funds Expended This Period:	\$ 0
Other Federal Funds Expended This Period:	\$ 0
Private Funds Expended This Period:	\$ 0
CDBG Program Income Expended This Period:	\$ 0
CBDO Proceeds Expended This Period:	\$ 0
Total Project Funds Expended This Period:	\$ 9,315