

November 19 Green Monday – The (un?)Sustainability of Revitalization in Asheville’s River Arts District (RAD)

Asheville’s RAD is currently the recipient of significant revitalization effort and investment. Given the three aspects of sustainability—economics, environment, and equity--many in our area wonder how sustainable that investment is. The November 19 Green Monday discussion, moderated by **Stephanie Monson Dahl**, City of Asheville Coordinator for Riverfront Redevelopment, City-owned Land Initiative, Workforce Housing and Community Development, addressed some of these issues.

Joe Minicozzi, Principle of Urban3, LLC, started by asking whether we create incentives by design or inadvertently. As an example of the complexities in answering this question, he reviewed the history of Asheville’s Central Business District from its first blooming in the 1920s – when Asheville’s population was growing by 20% per year and the city had the highest debt per capita in the country, a debt that took until 1976 to pay off – through its “death” in the 1970s and 1980s – when many downtown buildings were boarded up and vacant – to its revitalization in the 1990s and beyond – driven to a significant degree by \$26 million of public investment in facilities such as parking garages. Between 1991 and 2007, the value of downtown Asheville property grew from \$104 million to \$552 million by reusing existing buildings. Local government wants to see this type of growth because it means more tax revenue for its functions – undeveloped land yields \$30/acre and the Asheville Mall yields \$8,000 per acre, while downtown commercial development produces as much as \$250,000 per acre. Downtown commercial development also produces many more jobs per acre than developments such as Wal-Mart. The RAD does not have as many buildings suitable for such redevelopment as downtown had, but the drivers for public investment are the same.

Robert Camille, owner of Blue Ridge Surplus, an architectural salvage company, related his personal experience of the revitalization of Asheville’s downtown. When he and his wife moved to Asheville in 1986, the only place they could afford to live was downtown, which at that time was a highly undesirable neighborhood. Starting in 1990 he bought several downtown buildings and refurbished them, making them too expensive for the people who had lived downtown to continue living in them. When he realized what he and others were doing to affordability, he looked for the next low-cost place where people could live. The RAD was an obvious candidate, and he started buying property. He now has 13 acres and the goal of keeping it an affordable, low cost living area so that the artists and others currently living there won’t be priced-out, as they were downtown.

Cindy Weeks, Community Investment Manager for Mountain Housing Opportunities (MHO), a 24-year-old affordable housing and community development non-profit said that six years ago MHO purchased land and old buildings in the RAD for development. Its approach was to ignore

existing zoning regulations to design the type of building that made sense as a mixed affordable residential-commercial development. When MHO sought planning approval, it found that the city was thinking about modifying its regulations to promote the type of development MHO proposed. MHO received planning approval and the building is now constructed. The residential units are completely filled with many applicants for each available unit. The commercial space has filled more slowly. The building is privately financed but supported by affordable housing tax credits, an arrangement that will keep rents low forever. The building is LEED Gold, with sixty solar thermal panels on the roof and many other environmentally-friendly features.

Moderator Monson closed the formal session by discussing the investment that has taken place in the RAD; between 2002 and 2013, \$11 million was invested in properties on Depot Street, only a third of which was the MHO project. One of the unique aspects of the RAD is the presence of artists. There were artists in downtown, but it was never recognized as an art district. Monson then asked two questions:

1. Do artists need protection, and if so from what? Robert Camille answered that it was everyone's responsibility, not only the city's. Cindy Weeks responded that the costs of bringing buildings up to code when the buildings change hands would raise rents, but she hasn't seen anyone trying to profit from the situation. Joe Minicozzi expressed concerns about the potential for unintended consequences from policies to protect artists and gave examples from other policies.
2. Should we be looking at additional regulations to ensure that the rivers stay clean and accessible? Cindy Weeks thought that such regulations would be needed and cited stream buffers as an example of an action that has already been taken.

Audience questions and discussion followed. The entire program can be viewed on video at http://www.blueridgesustainability.org/category/green_mondays/.