

Chapter 10: Economic Development and Tourism

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Background

Beech Mountain's unique economic situation is a reflection of its demographics (reviewed in Chapter 4). With its small number of full-time residents, most of whom are retirement age, Beech Mountain lacks true "industry" in the traditional sense. However, there are many economic opportunities here.

Beech Mountain's beautiful scenery, majestic views, and its natural setting contribute to its great potential as a tourism destination and make tourism the foundational component of its economy. Closely intertwined with tourism is recreation, which is also a major economic driver for the community. When Beech's tourism and recreation draw people to the mountain, many of them decide to stay. The construction industry for permanent and second homes as well as home maintenance and home improvement are several business types that have found a niche in Beech Mountain. Other businesses that Beech Mountain supports also have close ties to tourism and recreation, such as the real estate and rental market, restaurants, and hotels and inns.

Sustaining a strong economy is important to the town and depends on a number of factors including the quality of the environment, the quality of life for the residents, and the quality of visitor experience. This section examines opportunities for economic growth while considering the unique constraints and opportunities of the town.



Our Economy

The Town's economy is heavily reliant upon Tourism and Seasonal Residency. With less than 400 full-time residents and no major industry outside of tourism and service-related industries, the Town experiences significant seasonal fluctuations in the local economy. Businesses within the Town see periods of intense patronage and periods of extremely low patronage throughout the year. These seasonal fluctuations can present real challenges to the local economy.

Major Entities that Focus on Economic Development

The Chamber of Commerce and the Tourism Development Authority (TDA) are significant entities in Beech Mountain that work alongside the Town in promoting economic development and tourism. As their impact upon the Town's economy is undeniable, it is important to discuss them here. At times efforts between these entities have been somewhat disjointed due to their roles and responsibilities overlapping to some degree. This discussion is also included with the intent of facilitating future discussion that will clarify these roles and responsibilities, and thereby enable the major economic development drivers in the town to more effectively coordinate their efforts to reach their common goal of a prosperous and vibrant Beech Mountain.





Beech Mountain Chamber of Commerce

The Chamber of Commerce is a non-governmental organization that consists of businesses in Beech Mountain who choose to join. The Chamber's goal is to further the interests of its member businesses, which it accomplishes through the sponsorship of events and the promotion of the availability of goods & services provided by Chamber members. The Chamber also provides members with opportunities for networking with other Chamber members so that the Chamber membership will grow, and their businesses will prosper.

Beech Mountain Tourism Development Authority

The Beech Mountain Town Council created a Tourism Development Authority in April of 2002 for the purpose of advertising and promoting travel and tourism in the Town of Beech Mountain. The Authority studies the tourism industry of the Town of Beech Mountain and seeks the most effective means of enhancing and promoting that industry. To this end, the TDA recommends any plans, actions, or programs which will serve to enhance and improve the tourism industry of the Town of Beech Mountain. The TDA is delegated by the Town powers which include the authority to make tourism-related expenditures that, in judgment of the Authority, are designed to increase the use of lodging facilities, recreational facilities, and business establishments in the Town or to attract tourists or business travelers to the Town. They also

can recommend how to spend tourism and resident-related capital expenditures, expenditures required to improve and add to the recreational facilities located on Beech Mountain, and expenditures to maintain the attractiveness of the Town and its green areas.

Much of the TDA's efforts are spent in marketing and promoting travel and tourism. Like the Chamber of Commerce, the TDA also engages in and sponsors events and promotional activities that attract tourists and travel to the area.

Unlike the Chamber of Commerce, the Tourism Development Authority is a branch of the local government, and its interest is to invigorate the economy because a thriving economy is good for the Town and its people, not specifically for its businesses.

TE.G1: Invigorate the Economy in Beech Mountain and thrive as a mountain destination

Policy TE.G1.P1: Provide Assistance and Encouragement to help Realize Economic Potential

Help existing Businesses Thrive

The survey that was distributed to gather initial feedback for this plan asked several questions pertaining to economic opportunities, and the feedback that was received was very insightful.

First, the survey indicated that the people of Beech Mountain have a strong affiliation with our town's existing businesses. The invigoration of Beech Mountain's economy should start with the businesses that are already here. We should realize the hard work and efforts that our business leaders have poured into this community over the last 40 years, and look for ways to help them succeed. The following strategies include ways to help old and new businesses alike.

Strategy TE.G1.P1.S1: Use Community Beautification Projects as a catalyst to spur economic vitality

One way for the Town to help existing businesses thrive is to continue to focus on and care for the aesthetics of the town through our public beautification programs. These programs support the economy in a myriad of ways.

Tourism is heavily influenced by community appearance. People are drawn to beautiful places and seek to return to beautiful places. A well planned, executed, and maintained streetscape will help to make Beech an attractive spot for visitors-helping our local businesses.

The real estate and construction industries are also influenced by community appearance. Almost any measure of "quality of life" is improved by parks, open space, recreation, and aesthetics. Homebuyers today who are seeking quality of life value open space and recreation. In providing an abundance of these items, Beech Mountain will be helping our real estate and construction industries to succeed.

Public efforts towards beautification also are a catalyst to private efforts. If the Town takes care of its realm, property owners are more likely to take care of theirs.



Strategy TE.G1.P1.S2: Use Recreation Programs as a means to spur economic vitality

The Town's recreation programs are another way that we help the tourism business, and another item that can be leveraged to further promote economic growth. Vacationers and visitors go to places where there are fun things to do, and our recreation programs are a draw for the community. Beech may be able to capitalize further on some of the unique recreation amenities offered at our high altitude, such as winter sports. Expanded skiing offerings- such as cross-country skiing- are an example.

The Town- operated free sledding hill is another great example of how recreation programs can be an economic boost for the community. The sled hill takes advantage of our colder-than-surrounding-area temperatures and offers sledding when other places can't even produce snow. The result is that the sled hill draws visitors from surrounding local areas such as Banner Elk and Boone, who then eat at our restaurants and shop at our General Store.

A similar effort that has been undertaken is the creation of the "Bark Park" – the dog park located near the top of the mountain. This park has been a successful summer-time counterpart to the sled hill, drawing visitors and their pets to our commercial district to utilize our recreation amenities.

Further efforts in this area could include the creation of town parks and greenways that bring people to our commercial entities.

It is also critically important to recognize the influence that the Beech Mountain Club and the Beech Mountain Resort have on the area's recreational offerings. They offer multiple activities and events cited in the comprehensive planning survey as some of the greatest contributing factors to the exceptional quality of life here. The availability of these offerings makes vacationing to Beech Mountain more appealing than other similar destinations. The Beech Mountain Club and Beech Mountain Resort are large forces towards drawing new residents and second home owners to Beech Mountain, and their appeal should be further leveraged to invigorate our economy.



Beech Mountain Club, Beech Mountain Resort and the Town have partnered on many joint public improvement projects. Further partnerships are highly desirable and will provide mutual benefits of economic development to all.



Strategy TE.G1.P1.S3: Utilize architectural design standards for new construction in Commercial districts as a means to spur economic vitality.

While design standards for new commercial and public buildings could be seen as a deterrent to business, if done properly they could also serve to help bolster business. Ensuring that all new buildings are beautiful, inviting, and attractive will improve the visitor experience and will help to bring more attention and business to the mountain as a whole. Furthermore, design standards will help to ensure that the businesses that locate here are the type of businesses that the town desires.





Strategy TE.G1.P1.S4: Use Pedestrian Walkability Projects as a means to spur economic vitality

The Town recently created a walking trail that leads from the Pinnacle Inn (Beech Mountain's largest multi-family/ rental property) to the Town's commercial entities on Beech Mountain Parkway. The usage of this trail has exceeded expectations, with visitors to the Pinnacle Inn regularly using it to walk down to get dinner or to buy groceries or other necessities. The ability for people to walk to pick up these items, enjoying the climate and vistas of Beech Mountain along the way, has encouraged them to spend their money on the mountain rather than elsewhere. If these visitors had had to get into their cars for these trips (as they did prior to the construction of the trail) they would be much more likely to drive to Banner Elk, Linville, or Boone for their shopping.

The Town should capitalize on this success by following through with the existing streetscape and pedestrian walkway plan that depicts pedestrian interconnection between commercial entities and all of Beech Mountain's Inns and Hotels, as well as the ski resort and its ski village shops.

Strategy TE.G1.S5: Leverage incentives such as permit fees , taxes, and utilities to reward businesses who are renovating or expanding and to attract new businesses of the type and character that the town desires.

In order to encourage new development and redevelopment of existing commercial properties, the Town will investigate opportunities to leverage incentives in the commercial corridor.

Town incentives may allow these establishments to improve their appeal and attraction without breaking their budgets.

Policy TE.G1.P2: Be Receptive to New Economic Opportunities

To have a vibrant economy, a community must be open and welcoming to potential new markets and opportunities.

Strategy TE.G1.P2.S1: Identify New Economic Opportunities

The first step in being a community that is receptive to economic opportunities is to identify the opportunities for growth that exist.

The following provides more detailed information about businesses that could be a component of the local economy in the future and



how each might be connected to the concept of Beech Mountain as a recreational and natural heritage community. But economic opportunities are not just in the form of new businesses. Opportunities for economic growth also lie in invigorating and capitalizing on existing businesses.

Beech Mountain's unique situation is not for just any business. Many types of business simply would not survive given Beech's demographics. Many other businesses simply would not be compatible with the Town's character- which, according to the results of our survey, is very important to our stakeholders. However, there are opportunities for the right kind of businesses, especially those with a recreational or tourism focus, to thrive in Beech Mountain.

One question in the survey asked respondents to identify the types of businesses that they felt would be successful in Beech Mountain. The results provide a wonderful window into some opportunities that may flourish here. Recommended opportunities included:

- *A microbrewery, bakery or other specialty “niche” industries of small scale that could sell their products here in a bar or restaurant type environment as well as market them for retail elsewhere.* Such products could capitalize on the theme of being born in “Eastern America’s Highest Town.” Such marketing would also benefit the town as advertising.
- *Embrace working from home and telecommuting.* With modern technology, people are less and less tied to a particular location by their work. The result is that these people are not geographically constrained by work and can live wherever they want. Beech Mountain needs to set itself up to be the place that these people want to locate.
- *Recreation Businesses.* Beech Mountain would be an ideal place for operations that lead recreational tours such as biking, fishing, hiking, climbing or rafting. It would also be a good location for recreation retail stores such as bike shops or trail outfitters. Existing ski rental businesses could expand their businesses to serve these markets in the off season.
- *The Arts.* Beech Mountain and its beautiful natural environment provides a promising location for artists and craftsmen to draw inspiration. These businesses are well suited to the character of the town and also tend to be the type of operation that can draw visitors from surrounding areas. For such a business to be successful, it would likely need to have the backing of a well-established artist, as Beech doesn't currently have the retail demographics to support up-and-coming artists. Particular types of artists to consider include painters, pottery, furniture and rustic craftsmen, quilting, and other similar businesses. The possibility also exists to support performing arts such as storytelling or theatre. We need to look no further than Jonesborough, TN (storytelling) or Abingdon, VA (theatre) for examples of small towns within our region that have used the arts to revitalize their economies. One way the town could encourage these types of businesses is by conducting recurring open-air markets and expanding upon the current “Crafts on the Green” event that is held annually.
- *Pursue Partnerships with Lees McRae College.* The proximity to Lees McRae College in Banner Elk opens many possibilities for economic growth that have not yet been explored. As an example, LMC has an outstanding performing arts/ theatre program that could be recruited for outdoor summer performances. Lees McRae also has a unique wildlife education program whose students could work at a Beech Mountain “extension” to develop their skills in caring for wildlife.
- *Spas.* People come to Beech Mountain to relax, and a high-end spa would be an ideal amenity to help them relax to the fullest. Exceptional high-end spas can also bring in people from outside the community, rather than only catering to Beech Mountain residents and visitors. A model of a successful spa of this type is the Westglow Spa in Blowing Rock. A rebuilt or



renovated building at the location of the former “Kat’s” building would provide visitors with expansive vistas and a memorable experience.

- *Conference Center.* When industries have to come together for conferences and conventions, they often decide that they may as well do so in a resort/ vacation environment. Eastern Americas Highest Town would be an ideal spot if there was an attractive and accommodating conference center available.
- Other businesses that might be considered include: Pet care/ Pet Boarding, a gas station (with electric vehicle plug-ins), a farmers market, a delivery service, campgrounds, coffee shops, software development establishment, a daycare/ school, elder care facilities and night life attractions.

Strategy TE.G1.P2.S2: Consider hiring a firm to do an extensive market analysis for the Town, and to identify specific steps to bring their recommendations to fruition.

While the foregoing has identified some potential growth areas, the services of a qualified professional economic development consultant may be beneficial in the future to refine this analysis and provide concrete steps for implementation. The town needs an overall economic development strategy that is based on a long-term vision, and to engage in dialogue with developers and businessmen/women to attract small businesses that are desired within Beech Mountain.

Strategy TE.G1.P2.S3: Look for opportunities to expand our tourism pull beyond the winter season.

One obvious need for the town’s economy is to identify and be receptive to opportunities to expand our tourist draw beyond the winter ski season.

Capitalize on the Oz Phenomenon.

“We’re not in Kansas Anymore!”-- Earlier in Beech Mountain’s history, the ski resort was well balanced with the “Land of Oz,” the Wizard of Oz themed park at the top of the mountain. While the ski season brought winter visitors, the theme park brought summer visitors until it closed in 1980. Beech Mountain still conjures associations with the Wizard of Oz – in the eyes of many, we will always be the “Emerald Mountain.”

The public fascination with the Oz theme remains powerful. The remaining portions of the old theme park open once a year during the “Autumn at Oz Reunion” and draw sell-out crowds from the region for a busy weekend. There is much evidence that an expanded Oz park would be successful, perhaps if portions of the park were open for a month or two during the summer. Also, the myriad of Oz fans would be drawn to the nostalgia at an establishment like a “Wizard of Oz Museum” that could be open year-round. The opportunities here for merchandising and the attraction are untapped and could, if done properly, be an enormous help to the local economy. Beech Mountain could become a national and even international pilgrimage site for Oz fans.



Mountain Biking.

Mountain Biking may offer the most potential to provide a viable off-season attraction for Beech Mountain. The “Emerald Outback” biking trails have created lots of interest in the area by the biking community. With almost the entire network of trails having elevations of greater than 5,000’, our trails offer terrain and views that are simply unsurpassed. Also, in 2011 and 2012, Beech Mountain Resort has hosted the USA Cycling Gravity National Championships for downhill mountain biking. These events (and the associated “Brews and Views” festivals sponsored by the TDA) were very well attended and have exposed many to Beech Mountain’s potential as a biking destination. Beginning in Summer 2013, the resort plans to have their mountain biking trails open to the public, with their chair lifts operational and equipped with hardware for carrying Mountain Bikes to the top.



The Town should help Beech Mountain Resort continue to promote and develop their mountain biking programs and interconnect those programs with our town hiking and biking trails, especially the Emerald Outback Trail Park.



Capitalize on existing festivals and events such as the Kite Festival and the 4th of July Celebration.

Competitive recreation events such as the “A Cool 5” race and the “XTerra Trail Run” are also important, as they bring a target audience to the mountain to participate in the event and simultaneously exposes them to the recreational offerings of the mountain -- hopefully leading them to return.

Research and consider off-season downhill attractions.

In other locations, ski resorts have utilized various means to attract visitors to down-hill attractions when snow is not available, and some of these have been very successful. The Town should work with Beech Mountain Resort to consider ziplines, Alpine Slides or other means of getting the thrill of down-the-mountain speed during off seasons.

Policy TE.G1.P3: Effectively Market and Capitalize on our Assets

All of the economic potential in Beech Mountain hinges upon letting people know about the great things that are here. The importance of marketing for Beech Mountain cannot be understated, nor can the potential results of effective marketing. When people contemplate a vacation or a second home in the southern Appalachians, we want to be at the top of their list. When people, freed from the need to work at a bricks and mortar office by advances in technology, are looking to live where

they want to be rather than where they have to be, we want them to look to Beech Mountain. When people are looking for an escape from the hustle and bustle of city life, we want to be the refuge they seek.

Beech Mountain is currently aggressively marketing itself to garner its share of the tourism market in the region. Current marketing practices are spearheaded by the Tourism Development Authority (TDA). The TDA has focused their marketing efforts on branding Beech Mountain as an outdoor recreation destination as well as a peaceful getaway and accentuating our unique climate and our status as "Eastern America's Highest Town." Some of their specific marketing initiatives include:

- Staffing and maintaining the Visitor Center adjacent to Town Hall and the sled hill.
- Maintaining a visitor information website targeted to people planning vacations.
- Advertising in select magazines and news outlets that reach the outdoor recreationist market.
- Creation of a database of photos showcasing events, attractions, restaurants, lodging, and scenery. This can be utilized in brochures, on websites, and distributed to media requesting images to accompany content.
- Utilization of websites that attract people planning their vacations, including banner advertising, and content advertising.
- Utilization of social media outlets to broadcast images, video, and messages to a growing fan base, and introduce more people to Beech Mountain via their friends, who people trust to give advice on vacation areas.
- Outdoor advertising in driving markets of Atlanta and Charlotte
- Disseminating information about Beech Mountain to local and regional news outlet- including news about events, new parks & trails, and information about BMR opening and upgrades.
- Organization of media tours to invite writers to come and experience aspects of Beech Mountain attractions, restaurants, and lodging.

Strategy TE.G1.P3.S1: Continue and expand upon our marketing and branding efforts.

With so much of our economy being dependent upon "getting the word out," Beech Mountain needs to ensure that doing so remains a major priority. The Town should investigate opportunities to provide a central location or portal for dissemination of all Beech Mountain activities, events, and entertainment.

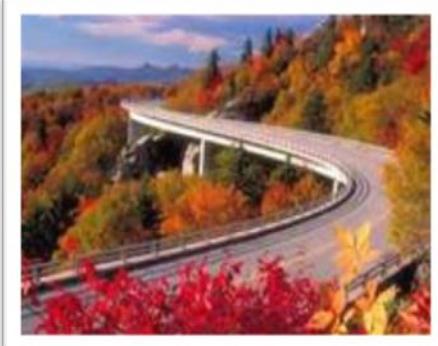


Large strides forward in marketing have recently been made by the town contributing to the staffing costs for employees of the TDA and Chamber of Commerce, who excel in marketing and advertising the Town's offerings.



Strategy TE.G1.P3.S2: Capitalize on Regional Attractions

Beech Mountain's marketing tends to focus on local events and attractions within the Town itself. While there is plenty to do here in Beech Mountain, the town may benefit from accentuating its proximity to some of the larger attractions of the area. Grandfather Mountain, the Blue Ridge Parkway, the Appalachian Trail, Tweetsie Railroad, and other major attractions are within an easy drive. Staying in Beech Mountain offers more than only the events within our own boundaries.



Strategy TE.G1.P3.S3: Target regional audiences.

Beech Mountain has strong historical ties as a vacation spot for Floridians and others in the South. But recent developments have brought more local and regional attention to Beech Mountain. For example, a recent feature in "Our State" magazine has gone a long way in indirectly marketing Beech Mountain's offerings to a statewide audience. With the increasing cost of transportation, and the declining amount of disposable income for average families, it is projected that a larger and larger percentage of Beech Mountain's visitors will come from markets that lie within a day's drive. Specifically, Beech Mountain has a pull for markets such as the metropolitan centers of Charlotte, Atlanta, Charleston, and Greenville, and other areas that cannot drive to West Virginia's ski resorts as quickly as they can reach western North Carolina.

While south Florida will always provide a major component of Beech Mountain's visitors, it is recommended that future efforts focus on regional markets.

TE: Discussion and Conclusion

Though Beech Mountain's commercial entities are limited, the town does have economic potential, much of which depends on our position as a vacation and second home destination. The Town should continue to be bold, and to think "outside the box" to consider economic possibilities. With boldness and hard work, Beech Mountain will further establish itself as a small but vibrant commercial center in the years ahead.



Photo Credit: Amy Morrison

