

ECONOMIC IMPACT OPPORTUNITY

Produced for Chimney Rock Village

By Jon Stover & Associates

AUGUST 2026

A Companion Report to the **RAISE THE ROCK RECOVERY ACTION PLAN**



“RECOVERY IS NOT JUST ABOUT RESTORING WHAT WAS LOST, IT’S ABOUT CREATING A BETTER FUTURE.”

– Raise the Rock Recovery Action Plan

"WITH CAREFUL PLANNING, SHARED LEADERSHIP, AND A STRONG COMMITMENT TO BOTH PRESERVATION AND PROGRESS, CHIMNEY ROCK VILLAGE IS WORKING TOWARD A FUTURE THAT HONORS ITS HERITAGE WHILE ULTIMATELY EMBRACING NEW OPPORTUNITIES TO REVITALIZE THE VILLAGE AS A THRIVING, RESILIENT COMMUNITY THAT REFLECTS THE NATURAL BEAUTY AND CULTURAL RICHNESS OF THE REGION."

– Raise the Rock Recovery Action Plan

ABOUT THIS REPORT

This Raise the Rock Economic Impact Opportunity Report is a companion report to the Raise the Rock Recovery Action Plan. This report details the potential economic impact of the proposed rebuilding and recovery improvements in Chimney Rock Village, with the aim of increasing partnerships, expanding funding opportunities, and garnering support for the community's vision for a stronger, more prosperous local economy.

Figures shared in this report reflect the proposed recovery plan. For additional methodology details and assumptions, please refer to the Methodology Section at the end of this report. The Raise the Rock Economic Impact Opportunity Report was produced by Jon Stover & Associates (JS&A), an economic development consulting firm that bridges the gap between the public, private, and nonprofit sectors.

ACKNOWLEDGEMENT

This Economic Impact Study acknowledges the leadership, direction, and insights from Chimney Rock Village, Rutherford County Tourism Development Authority, Destination by Design, and the numerous business owners and affected stakeholders, all of whom provided critical perspectives, stories, data, and projections critical to this study. Funding for this study was made possible through grant funding provided by the Dogwood Health Trust.

THE RAISE THE ROCK RECOVERY ACTION PLAN IS EXPECTED TO GENERATE UP TO $482 MILLION OF IMPACT DURING THE CONSTRUCTION OF PLANNED INVESTMENTS.

AFTER THE PLAN IS FULLY IMPLEMENTED, INCREASED CHIMNEY ROCK VILLAGE VISITATION MAY GENERATE $41 TO $63 MILLION ANNUALLY FOR THE LOCAL ECONOMY.

The economic impact opportunity of the Raise the Rock Recovery Action Plan results from both the one-time economic impact generated by the construction and development of the proposed projects and the attributable annual visitor spending that will occur as construction is complete.

SUMMARY OF ECONOMIC IMPACTS

The ultimate impact of the planned investments will depend on the extent to which the Village can leverage investments to become a major regional destination. Strong marketing efforts, support for existing businesses, future lodging and parking capacity, and strong place management will all be key factors in determining the amount of additional spending and investment in the Village.



$482 Million

TOTAL ECONOMIC IMPACT OF CONSTRUCTION AND DEVELOPMENT

Total economic output generated from highway and bridge construction, Rocky Broad River restoration, redevelopment of commercial buildings, and construction of Rocky Broad Riverwalk and other public realm investments.



$41 - 63 Million

TOTAL ECONOMIC IMPACT OF RESULTING VISITOR SPENDING

The boost in visitation catalyzed by the Raise the Rock Plan is expected to generate $41 to $63 million in additional annual economic output throughout the local economy within ten years. This includes revenue, supply chain purchases, and wage spending.

Note: Figures include direct, indirect, and induced impacts after 10 years of completed infrastructure projects. Additional methodological details are provided in the Appendix of this report. Actual impacts may vary.
Source: Jon Stover & Associates, IMPLAN (2026)



320K - 470K

ADDITIONAL ANNUAL VISITORS WITH OUTDOOR RECREATION AND TOURISM BOOST

Planned investments could catalyze a 10% to 50% increase in annual visitation, resulting in a net increase of 320,000 to 470,000 visitors to Chimney Rock each year.

$31 - 46 Million

ANTICIPATED INCREASE IN ANNUAL VISITOR SPENDING

Once tourism and investment stabilize, planned investments are expected to catalyze an additional $31-$46 million in annual visitor spending in Chimney Rock Village and the surrounding area.

400 - 600 Jobs

ANNUAL JOBS SUPPORTED BY VISITOR IMPACTS

Increased visitor spending will support 400 to 600 full-time and part-time jobs throughout the local economy, within ten years, driven by direct Chimney Rock Village business growth, as well as secondary supply chain and wage spending impacts.



ECONOMIC IMPACT OF CONSTRUCTION

REBUILDING ESSENTIAL INFRASTRUCTURE

THE RECONSTRUCTION OF INFRASTRUCTURE DESTROYED OR DAMAGED BY HURRICANE HELENE WILL GENERATE APPROXIMATELY $352 MILLION IN TOTAL ECONOMIC IMPACT.

$352 Million

TOTAL ECONOMIC IMPACT OF CONSTRUCTION PROJECTS TO REBUILD TO PRE-STORM CONDITIONS

Rebuilding Chimney Rock Village's water and sewer infrastructure, roads and bridges, and other infrastructure back to pre-storm conditions will support approximately 1,800 jobs, $120 million in salaries and wages, and $352 million of economic output throughout the construction period. These impacts include both direct, indirect, and induced impacts throughout the region.

ECONOMIC IMPACT OF CONSTRUCTION PROJECTS TO REBUILD BACK TO PRE-STORM CONDITIONS

IMPACT TYPE	EMPLOYMENT	LABOR INCOME (Employee & Proprietor Income)	ECONOMIC OUTPUT
Direct Impact	1,280	$97,952,931	$260,500,000
Indirect impact	205	$10,575,629	$46,303,074
Induced Impact	278	$11,643,163	$45,329,027
TOTAL IMPACT	**1,763**	**$120,171,723**	**$352,132,101**

Note: The analysis assumes the following construction costs: $247.5 million for highway and road construction, $2.5 million for parks and other downtown repair projects, $8 million for water and sewer replacement projects, and $2.5 million for the Falls Bridge and Covered Bridge reconstructions. Actual construction costs may vary. Employment figures represent full-time and part-time job years throughout the construction period. For example, a value of two job years would equate to a full-time or part-time job that lasts two years.
Sources: Chimney Rock Village, JS&A, IMPLAN (2026)

IMPROVING BEYOND RECOVERY

THE CONSTRUCTION OF NEW AMENITIES AND INFRASTRUCTURE, BEYOND WHAT EXISTED PRIOR TO HURRICANE HELENE, WILL HAVE A TOTAL ECONOMIC IMPACT OF APPROXIMATELY $129 MILLION.

The reconstruction of Chimney Rock Village and its infrastructure presents an opportunity to add new amenities and strengthen infrastructure resiliency as part of the hurricane recovery efforts. New public spaces, improved streetscaping, emergency watershed protection, and improved entry into the state park are part of these improvements, in addition to the reimagined Rocky Broad River as a premier recreation opportunity.

$129 Million

TOTAL ECONOMIC IMPACT OF CONSTRUCTION PROJECTS TO ADD NEW AMENITIES AND BOOST RESILIENCY

ECONOMIC IMPACT OF CONSTRUCTION PROJECTS TO ADD NEW AMENITIES AND BOOST RESILIENCE

IMPACT TYPE	EMPLOYMENT	LABOR INCOME (Employee & Proprietor Income)	ECONOMIC OUTPUT
Direct Impact	407	$31,807,366	$94,525,284
Indirect impact	95	$4,884,212	$19,585,507
Induced Impact	94	$3,952,405	$15,387,930
TOTAL IMPACT	**597**	**$40,643,983**	**$129,498,721**

Note: Analysis assumes the following construction costs: $37.8 million for river restoration and riverwalk, $5.5 million for Village streetscaping, $15.5 million for Biz Hub development, $10.5 million for water/sewer extension improvements, $8.5 for traffic circle construction, $5 million for riverwalk berm construction, $1 million for pedestrian sidewalk of Chimney Rock Park Bridge, and $6.1 million for private commercial development. Public realm, river restoration, road/bridge construction, and water/sewer infrastructure costs provided by Chimney Rock Village. Private commercial development costs calculated by JS&A, assuming $350/SF and 10,800 total SF across Riverside West, Main Street West, Main Street East, Terrace Drive Infill, and Village Square Infill sub-areas. Actual construction costs may vary. Employment figures represent full-time and part-time job years throughout the construction period.
Sources: Chimney Rock Village, JS&A, IMPLAN (2026)

HOW THE RAISE THE ROCK RECOVERY ACTION PLAN WILL IMPACT THE LOCAL ECONOMY BEYOND CONSTRUCTION

In addition to the projected $482 million of impact from construction, implementing the Raise the Rock Recovery Action Plan will boost the economy through increased visitor spending.

320,000 – 470,000

ANNUAL NEW VISITORS

Anticipated range of additional annual visitation attributable to Raise the Rock investment upon stabilization



VISITOR SPENDING

Projected annual visitor spending attributable to Raise the Rock investments within Chimney Rock and the surrounding area

$31-46 Million



$29-44 Million

DIRECT IMPACT

Economic output (value of production) directly generated by new visitor spending at businesses



$8-12 Million

INDIRECT IMPACT

Supply chain purchases and business-to-business expenses due to increased industry revenue

$4-7 Million

INDUCED IMPACT

Employees' spending of salaries and wages throughout the regional economy



$41 – 63 Million

PROJECTED ANNUAL ECONOMIC IMPACT OF INCREASED VISITOR SPENDING

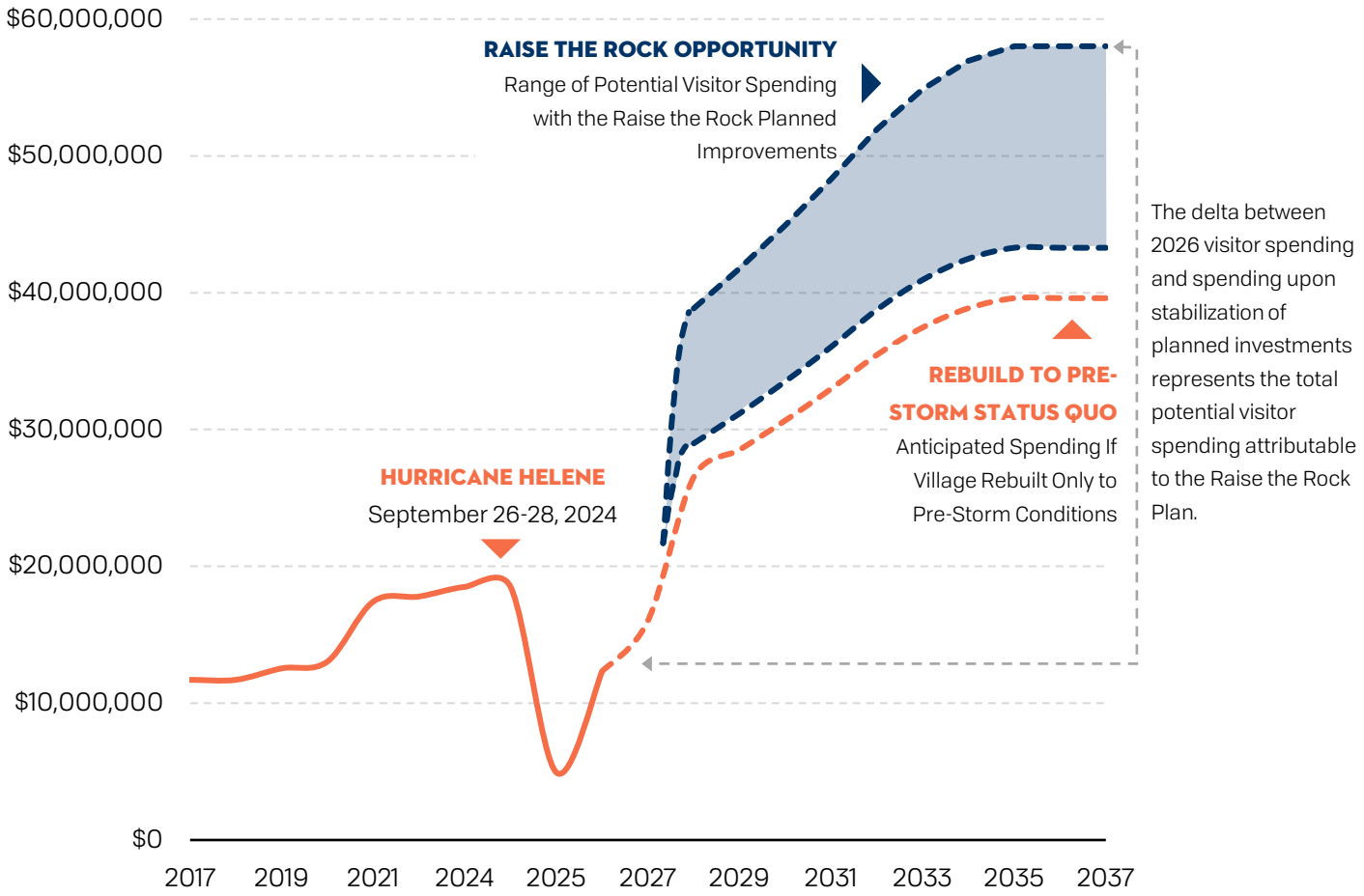
This total economic impact represents the total economic output (including direct, indirect, and induced impacts) in the regional economy attributable to new Chimney Rock visitor spending.

Source: ESRI Business Analyst, Data Axle, IMPLAN (2026)

INCREASED VISITATION AND SPENDING DRIVE THE ECONOMIC IMPACT AND CAN VARY SIGNIFICANTLY BASED ON THE LEVEL OF INVESTMENT IN CHIMNEY ROCK AND THE VISITOR DRAW.

With the proposed Rocky Broad River investment, placemaking, and outdoor recreation opportunities generated by the Raise the Rock Recovery Action Plan, Chimney Rock Village will capture a greater increase in visitorship and resulting visitor spending. The model below illustrates the potential boost in visitor spending, ranging from 10% to 50%, resulting from the proposed improvements beyond the pre-disaster Chimney Rock experience. This range reflects the many variables that will influence the actual increase upon stabilization.

PROJECTED VISITOR SPENDING IMPACT OPPORTUNITY



Note: The Pre-Storm Status Quo Scenario represents anticipated visitor spending if Chimney Rock is built out solely to its pre-storm infrastructure. All scenarios assume a 7.5% annual growth rate in the first five years of full project build-out, followed by gradual stabilization in years 6-9. The 7.5% rate is based on the 2017-2024 average growth rate of Rutherford County visitor spending (Tourism Economics, 2025). Low Scenario and High Scenario, respectively, assume an additional 10% and 50% increase in annual visitorship attributable to the Rocky Broad River Restoration and Riverwalk projects, and other Raise the Rock infrastructure projects, expected to drive visitorship beyond pre-storm levels. 10% and 50% estimates are based on visitorship increases experienced in similar river-based revitalization projects in comparable commercial districts.
Source: Jon Stover & Associates (2026)

DETAILED ECONOMIC IMPACT TABLES

SUMMARY OF TOTAL ECONOMIC IMPACTS

ECONOMIC IMPACT OF CONSTRUCTION & DEVELOPMENT

(Including Repair and Improvement Projects)

IMPACT TYPE	EMPLOYMENT	LABOR INCOME (Employee & Proprietor Income)	ECONOMIC OUTPUT
Direct Impact	1,687	$129,760,296	$355,025,284
Indirect impact	301	$15,459,841	$65,888,580
Induced Impact	372	$15,595,568	$60,716,957
CONSTRUCTION ECOOMIC IMPACT	**2,359**	**$160,815,705**	**$481,630,821**

Note: Analysis assumes the following construction costs: $250 million for highway and road construction, $2.5 for bridge construction, $10.6 million for river restoration and mitigation, $5.5 million for Chimney Rock Village streetscaping, $2.5 million for Riverwalk, parks, and other downtown projects, $15.5 million for Biz Hub development, $18.5 million for water/sewer infrastructure projects, and $6.1 million for private commercial development. Public realm, river restoration, road/bridge construction, and water/sewer infrastructure costs provided by Chimney Rock Village. Private commercial development costs calculated by JS&A, assuming $350/SF and 10,800 total SF across Riverside West, Main Street West, Main Street East, Terrace Drive Infill, and Village Square Infill sub-areas. Actual construction costs may vary.
Sources: Chimney Rock Village, JS&A, IMPLAN (2026)

ECONOMIC IMPACT OF INCREASED VISITATION

(Based on Projected 10% - 50% Boost in visitation)

IMPACT TYPE	EMPLOYMENT	LABOR INCOME (Employee & Proprietor Income)	ECONOMIC OUTPUT
Direct Impact	305 – 474	$8,399,081 - $13,162,139	$28,612,632 – $44,346,650
Indirect impact	45 – 69	$2,126,514 - $3,254,443	$7,985,638 - $12,260,101
Induced Impact	26 – 41	$1,106,058 - $1,724,970	$4,303,185 - $6,711,150
VISITATION ECONOMIC IMPACT	**376 - 584**	**$11,631,653 - $18,141,551**	**$40,901,456 - $63,317,900**

Achieving these impacts will not only require Chimney Rock Village to deliver a high-quality visitor experience but will also require more workers in Chimney Rock Village and destination management considerations like hospitality and transportation logistics.

Note: Employment figures include full-time and part-time jobs. Labor income figures include employee and proprietor income. The "Economic Output" column reflects the value of production of goods and services in a calendar year. Specifically, this figure describes annual revenues plus net inventory change. The direct impact on economic output is lower than the amount of additional tourism spending because retail margin coefficients are applied to production values.
Sources: Jon Stover & Associates, IMPLAN (2026)

FISCAL IMPACT OF VISITOR SPENDING

Planned Raise the Rock investments and the anticipated impact on visitor spending would directly generate up to $2.7 million in annual tax revenue to Rutherford County, including $610,000 in sales tax revenue, $1.1 million in hotel occupancy tax revenue, and $1 million in property tax revenue. Increased Chimney Rock visitor spending would also generate up to $1.5 million in annual tax revenue for the State of North Carolina, including up to $1.3 million in sales tax and $240,000 in income tax revenue. In addition, the construction of planned investments will generate a one-time impact of approximately $60,000 and $240,000 of County and State tax revenue, respectively.

$1.8M – 2.7M
PROJECTED ANNUAL TAX REVENUE TO RUTHERFORD COUNTY

$1M – 1.5M
PROJECTED ANNUAL TAX REVENUE TO NORTH CAROLINA

PROJECTED FISCAL IMPACT OF VISITOR SPENDING BY REVENUE SOURCE

	RUTHERFORD COUNTY	STATE OF NORTH CAROLINA	TOTAL FISCAL REVENUE
Sales Tax	$420 - 610K	$880K - $1.3M	**$1.3 - 1.9M**
Hotel Occupancy Tax	$750K - $1.1M	$0	**$750K - $1.1M**
Income Tax	$0	$160 - 240K	**$160 - 240K**
Property Tax	$650K - $1M	$0	**$650K - $1M**
TOTAL FISCAL IMPACT	**$1.8 – 2.7M**	**$1 - 1.5M**	**$2.8 - 4.3M**

Note: Fiscal impact figures represent anticipated revenue generated in the tenth year of full project build-out. Figure ranges represent "Low Scenario" estimates on the low end and "High Scenario" estimates on the high end. Figures are represented in 2026 dollars. Sales tax and occupancy tax figures calculated by JS&A using tax rates as of Q2 2026. Figures use the following tax rates: 2.25% County-level sales tax, 4.75% state-level sales tax, and 6% County-level hotel occupancy tax. Sales tax revenue for Rutherford County includes revenue allocated to municipalities within Rutherford County. Income and property taxes were calculated by IMPLAN. Analysis assumes 100% of visitor spending occurs in Rutherford County for conceptual purposes; some visitor spending and fiscal impacts will occur in nearby counties. Figures may not add due to rounding. Actual fiscal impacts may vary.
Sources: Jon Stover & Associates, IMPLAN (2026)

ECONOMIC IMPACT INSIGHTS

PLACEMAKING AND PUBLIC REALM IMPROVEMENTS

HEIGHTENING THE OVERALL EXPERIENCE OF SPENDING TIME IN CHIMNEY ROCK VILLAGE IS FUNDAMENTAL TO ATTRACTING MORE VISITORS, SUPPORTING BUSINESSES, AND GROWING THE VILLAGE AS A REGIONAL DESTINATION.

The Raise the Rock Recovery Action Plan includes a range of public realm investments to heighten the overall visitor experience of Chimney Rock through new plazas, enhanced streetscaping, a new Riverwalk along the Rocky Broad River, and a river restoration that will slow the river and allow for more accessible river-based recreation and more casual riverside activity.

SUMMARY OF KEY PUBLIC REALM IMPROVEMENTS

- Rocky Broad River Restoration & Resulting River-Based Recreation Opportunities
- Riverwalk & Riverwalk Plaza
- Village Streetscaping Enhancements
- Village Plaza Square Restoration
- Historic Statue Park Plaza & Overlook

Note: Additional public realm investments included in the Raise the Rock plan include Chimney Rock River Park, West End River Access project, and the Hickory Nut Gorge State Trail Connector project. These investments were not included in impact analysis given wide range of potential design concepts and construction costs.

THE IMPORTANCE OF PLACEMAKING TO ECONOMIC DEVELOPMENT & RESILIENCE

Amid the rise of e-commerce, remote work, and growing competition between downtowns, it is increasingly essential for commercial districts to provide distinctive and memorable experiences ("placemaking") to capture consumer spending. Placemaking is particularly crucial for tourism-oriented districts like Chimney Rock Village. Therefore, Raise the Rock Plan's proposed combination of a classic Main Street with accessible riverfront space and recreation allows Chimney Rock Village to provide the distinct experience it needs to be economically competitive in the long term.



THE PLANNED ROCKY BROAD RIVER RESTORATION AND ACCOMPANYING ROCKY BROAD RIVERWALK IS A FUNDAMENTAL ELEMENT OF THE VILLAGE'S ECONOMIC RECOVERY AND ONGOING ECONOMIC RESILIENCY. The riverwalk will allow visitors to walk or bike along the water and easily transition between the river and Main Street. This stronger connection will encourage more frequent visits, longer stays, and greater total spending in Chimney Rock Village.

THE PROPOSED RIVERWALK PROVIDES DIRECT RIVER RECREATION OPPORTUNTIES AND A CLASSIC MAIN STREET ATMOSPHERE, A RARE AMENITY FOR THE REGION.

This river-to-business access will distinguish Chimney Rock Village as a destination, heightening the visitor experience, encouraging longer stays, and bolstering the value proposition for future accommodation and business investment.

THE PROPOSED ROCKY BROAD RIVER RESTORATION WILL ALLOW CASUAL INTERACTION WITH THE WATER, CREATING A FAMILY-FRIENDLY, BEACH-LIKE ATMOSPHERE, CREATING A NEW EXPERIENCE IN CHIMNEY ROCK VILLAGE.

This distinct feature is expected not only to attract more tourists but also to increase market share among nearby residents, particularly families and young couples.

RIVERFRONT PLACEMAKING DRIVING LOCAL ECONOMIES

A PROVEN MODEL OF SUCCESS FOR DESTINATION COMMUNITIES

RIVERSIDE COMMUNITIES ARE INCREASINGLY TAKING ADVANTAGE OF THEIR RIVERS AS DESTINATION DRIVERS AND ACTIVE SOURCES OF RIVER-BASED RECREATION.

A growing number of communities across the U.S. are taking a step beyond the standard riverside park or plaza and designing public spaces that allow for direct engagement with rivers and other bodies of water. This direct engagement can range from rafting and kayaking to tubing and/or casual beach-like lounging areas where the water is relatively shallow and still. These environments allow areas to significantly expand their visitor bases, attracting more recreationalists and casual visitors. Areas that combine a walkable commercial district with the chance to grab an ice cream or iced coffee, then hop in a kayak or have a waterside picnic, will be exceptionally well-positioned for healthy, long-term customer traffic.



"WHAT MAKES THIS PLACE DIFFERENT IS THAT IT'S ACCESSIBLE FOR FOLKS THAT WANT TO WITNESS AND WATCH."

- Downtown Franklin, NH Business Owner

Franklin, New Hampshire's Mill City Park opened in 2022 and has grown into an outdoor recreation hub. The park hosts events and instruction classes for paddling enthusiasts at all skill levels. The park has also reportedly been a key factor in the opening of seven new nearby businesses since its launch. Plans to expand the park and add new recreation features are already underway as of Spring 2026.

Sources: New Hampshire Union Leader, "Mill City Park to Expand After Successful Opening," March 2026 WMUR, SGB Media, "New England's First Whitewater Park Part Of Franklin's Broader Downtown Revival," May 2026
Image Credit: New Hampshire Union Leader/VHB



SALIDA'S WHITEWATER PARK INVESTMENT HELPED SPARK A 40% INCREASE IN VISITATION TO THE GREATER RECREATION AREA.

Salida, Colorado's Whitewater Park, located along the Arkansas River and directly next to its downtown, has transformed the town into a major regional destination. The park features a design highly similar to the proposed Rocky Broad River revitalization, allowing for paddleboarding, kayaking, and surfing, along with riverside trails, picnic areas, and terraced riverbanks that let people easily sit near and interact with the water.

Salida is one of several towns within the Arkansas River Headwaters Recreation Area that has taken steps to better connect its downtown area with the river. These investments have played a key role in spurring a 40% increase in visitation to the greater recreation area from 2014 to 2025.

"MY RESTAURANTS WERE GENERATING MAYBE ABOUT $600,000-$700,000 A YEAR. ALMOST OVERNIGHT (SINCE THE SALIDA RIVER PARK WAS ESTABLISHED), I'M GENERATING $5 MILLION."

- Salida, CO Restaurant Owner

"ON A NICE SUMMER DAY, IT'S LIKE SOUTH BEACH, ROCKY MOUNTAIN-STYLE. MOMS DRINK LATTES ON THE BANK WHILE THEIR KIDS PLAY IN THE EDDIES."

- Mike Harvey, President of Arkansas River Trust

Note: Salida Whitewater Park, built from 1998 to 2004, was designed by the same firm, Recreation Engineering & Planning, that developed the Rocky Broad River Restoration & Riverwalk's conceptual design in the Raise the Rock Recovery Action Plan.
Sources: Vail Daily, "River Park Investment Will Pay Off For Eagle," July 2016 (Salida Restaurant Owner); SGB Media, "Whitewater Parks Riding Wave Of Popularity," June 2021
Image Credit: World Atlas

ECONOMIC IMPACT INSIGHTS

COMMERCIAL REDEVELOPMENT

Restoring Chimney Rock Village's downtown district is a key priority of the Raise the Rock Recovery Action Plan, reflecting the fundamental importance of rebuilding its business base and extending its Main Street corridor, the heart of the visitor experience. The plan proposes 43,045 square feet of new commercial space, which would accommodate around 15 to 20 businesses, likely including former businesses displaced by Hurricane Helene, as well as new businesses.

With anticipated increases in visitation, extended visitor stays, and a broader visitor mix, Chimney Rock Village can intentionally reshape and strengthen its commercial district. However, a healthy recovery will not solely be about adding more businesses but about cultivating an optimal commercial mix to support the reimagined experience-driven destination. With this commercial redevelopment, Chimney Rock Village can focus on creating a complete destination ecosystem rather than isolated individual projects.

$9 Million

ANNUAL BUSINESS REVENUE (WHEN FULLY OCCUPIED)

Businesses in planned commercial development will generate approximately $9 million in annual revenue – about 50% of total pre-storm business revenue within Chimney Rock Village.

Note: Assumes 43,045 total SF of commercial space, with estimated $200/SF in revenue, based on typical retail sales ratio in comparable markets. Actual revenue will be dependent upon future business mix and customer traffic levels.

THE IMPACT OF HURRICANE HELENE ON CHIMNEY ROCK'S BUSINESSES

100% AFFECTED

All of Chimney Rock Village's 45 businesses were affected by Hurricane Helene, ranging from complete devastation of their buildings to ceased operations while roads were closed, and the entire customer base was gone in the storm's aftermath.

1 OUT OF 3 BUSINESSES DESTROYED

The flooding from Hurricane Helene completely destroyed 15 of the village's businesses. This included buildings wiped away by the storm and conditions that left the buildings unable to be restored.



OPTIMAL BUSINESS MIX FOR OUTDOOR RECREATION DESTINATION COMMERCIAL DISTRICTS

With increased visitation and a mix of expanded visitor segments, a wider range of business types will be viable in the village. New commercial redevelopment opportunities must expand the village's business mix and offerings to support the new and expanded customer base, with the goal of not becoming a generic tourism district but a distinctly Chimney Rock Village experience: a vibrant riverfront mountain town with an abundance of outdoor recreation surrounding a cherished Main Street.





ACHIEVING THE OPTIMAL BUSINESS MIX

Commercial redevelopment in Chimney Rock Village must balance new investment attraction with strengthening the village's existing and surviving businesses. Careful curation of the business mix will be critical to avoid oversaturation, unnecessary duplication, or direct cannibalization. Prioritize businesses that fill market gaps or enhance experiences rather than replicate existing businesses. Supporting complementary uses will encourage visitors to spend more time and money during their time in Chimney Rock. Maintaining an authentic mountain village character will help continue to distinguish Chimney Rock Village from competing destinations and keep customers coming back.

ECONOMIC IMPACT INSIGHTS

INSIGHTS FROM THE BUSINESS COMMUNITY

RECOVERY IS NOT ONLY ABOUT ENSURING THAT BUSINESSES' DOORS ARE OPEN AGAIN, BUT ALSO ABOUT MAKING SURE THEY ARE SET UP TO THRIVE.

Conversations with businesses, community leaders, and economic development partners shared a consistent message: Chimney Rock Village's businesses are deeply committed to their home, but uncertainty remains as recovery unfolds. Economic recovery is not instantaneous, but rather a phased process as the community rebuilds and new investment is made.

Increased outdoor recreation visitation increased year-to-year, spurred by the COVID-19 pandemic. Many businesses benefited from the continuous uptick in new customers.

HURRICANE HELENE FLOODING

The village's catastrophic flooding damaged businesses, infrastructure, and transportation networks, shutting the doors to businesses.

FALL 2025 SOME BUSINESSES START TO OPEN

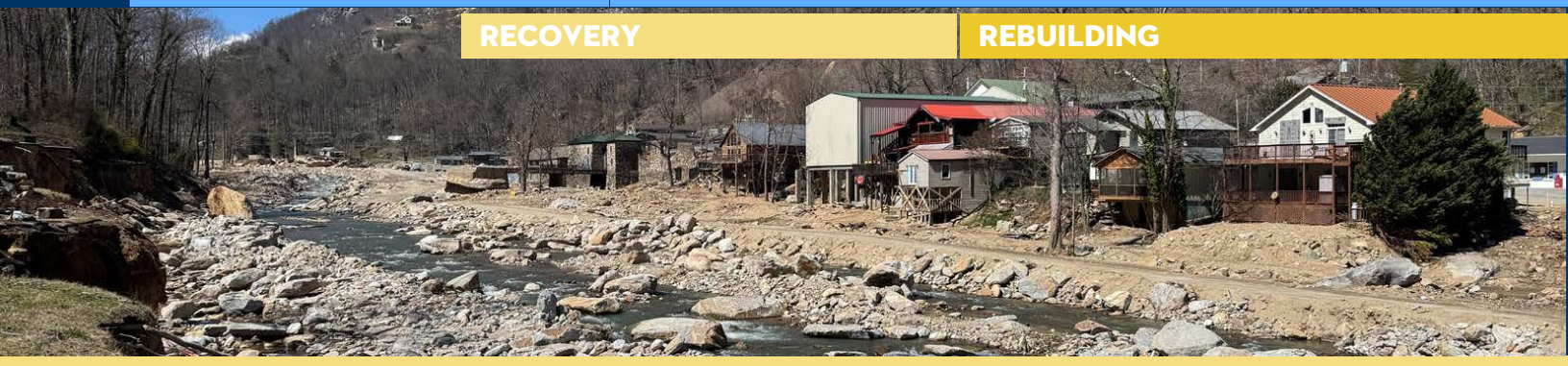
As debris is removed, infrastructure is repaired, and rebuilding occurs, some of the village's businesses began reopening. Yet, visitor access and ongoing recovery efforts suppress visitation.

SPRING 2026 HWY 64 REOPENS

A significant milestone, HWY 64 reopens, restoring regional access to Chimney Rock Village. Businesses expect a needed customer increase.

2024 | 2025 | 2026

RECOVERY | REBUILDING



"SMALL BUSINESSES THAT HAVE MADE IT THIS FAR ARE AT A CRITICAL DECISION POINT...WE HAVE TO IDENTIFY A PATH FORWARD FOR THESE SMALL COMMUNITIES THAT HAVE BEEN IMPACTED."
- GROW NC
Stakeholder Interview

2027 - 2028+
RECOVERY CONTINUES

Businesses are hopeful that, as recovery efforts continue, they will see an increase in revenue. Before HWY 64 reopened, many businesses reported revenue levels still 30% to 40% below pre-hurricane trends. The latter half of 2026 and 2027 will be pivotal to ensuring that businesses can keep holding on. Businesses will still need to navigate challenges with the public realm and the riverwalk construction, which may inhibit customers from stopping in Chimney Rock Village.

TRANSITION TO LONG-TERM GROWTH

As the catalytic investments in the Raise the Rock Action Plan are completed, businesses are expected to benefit from the long-term increase in visitation. New hospitality offerings, outdoor recreation opportunities, and new businesses will help extend visit durations, allowing local businesses to capture more spending. Chimney Rock Village remains home to generational businesses, and new investment helps spark opportunities for new businesses to come to the village.

Note: This report assumes 2028 as the completion date for most of the planned Raise the Rock projects, though this may extend into additional years depending on construction timelines and funding availability.

2027/2028 | 2029+

LONG-TERM RESILIENCY

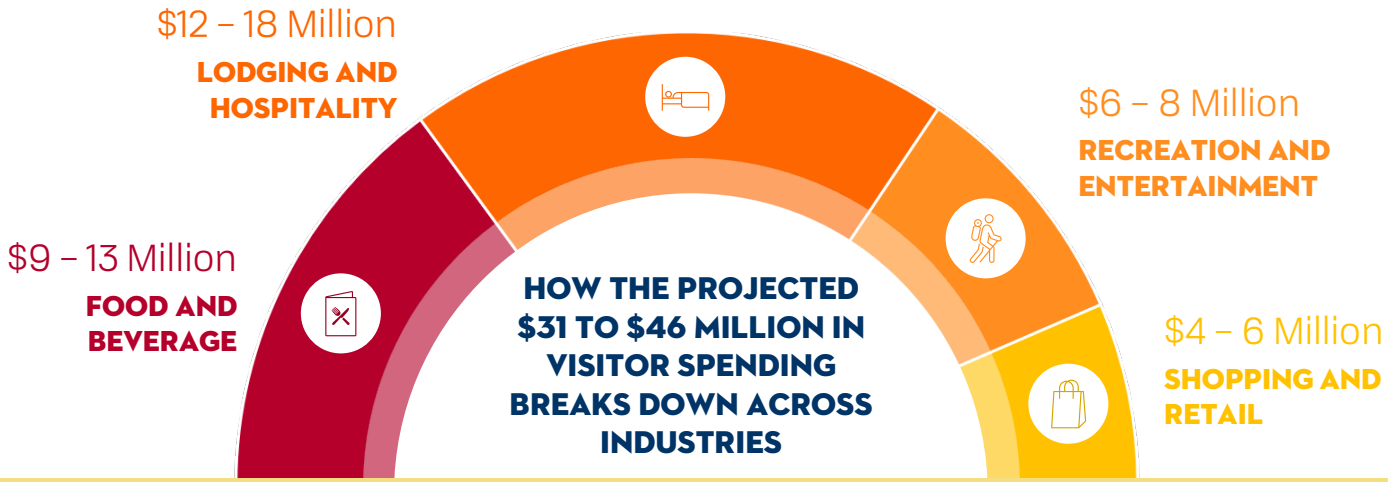


ECONOMIC IMPACT INSIGHTS

OUTDOOR REC AND TOURISM

New visitors to Chimney Rock Village will support a wide range of industries, from hospitality and lodging to restaurants and shopping. Every dollar spent on outdoor recreation creates opportunities for hotels, restaurants, retailers, outfitters, and entertainment businesses throughout Chimney Rock Village and the region.

Source: Visitor spending breakdown based on 2024 Building Outdoor Communities: Western North Carolina Outdoor Recreation Participation Survey. "Spending on Most Recent Trip" figures are used for the estimate. Spending breakdown assumptions adjusted based on Chimney Rock business mix.





NEW EXPERIENCES. NEW VISITORS.

The Raise the Rock Recovery Action Plan broadens Chimney Rock Village's destination appeal by creating new experiences that attract a wider range of outdoor recreation visitors, from adrenaline enthusiasts to those looking for an accessible, family-friendly outdoor experience.

EXPANDED VISITOR COHORT BREAKDOWN

CHIMNEY ROCK STATE PARK VISITORS

An enhanced public realm and larger business mix will attract more State Park visitors to stop for a visit or spend the night in Chimney Rock Village.

HICKORY NUT GORGE /OUTDOOR REC ENTHUSIASTS

The Rocky Broad River restoration will allow for accessible kayaking and other river-based recreation opportunities.

NEW TARGET MARKETS

ROCK CLIMBERS

As Hickory Nut Gorge becomes an increasingly popular climbing destination, Chimney Rock Village is well-positioned to serve as a popular base to lodge, dine, and buy/rent equipment.

ROCKY BROAD RIVER RECREATIONALISTS

The restoration of the Rocky Broad River will allow Chimney Rock Village to capture visitation from recreationalists looking for kayaking and other river-based activities.

SMALL CHANGES. SIGNIFICANT ECONOMIC IMPACT.

Encouraging visitors to stay even just a little longer in Chimney Rock Village can generate millions of dollars of revenue for local businesses.

If one out of three visitors **extends their stay by a few hours** and spends an extra $25, that would equate to an additional

$2.1 MILLION

of annual revenue for local businesses, as well as $150,000 in sales tax revenue.

Daytrippers and regional residents primarily visit Chimney Rock Village for a single meal or recreational activity, often before or after a visit to the State Park. Their total length of stay and spending depend on how enjoyable it is to walk along Main Street and the Riverwalk, as well as on the village's range of shops.

If an additional one out of six visitors **extends their stay overnight**, that would equate to an additional

$5 MILLION

of annual lodging revenue, as well as $300,000 in Occupancy Tax revenue for Rutherford County.

Overnight visitors are key drivers of economic activity, often eating multiple meals in Chimney Rock Village and spending more time at other local businesses. New recreational investment and future overnight accommodations can help drive the decision to spend the night in Chimney Rock Village.

Note: Figures assume no additional increase from Raise the Rock investments and are based solely on the pro-rated 2024 visitor base of 254,962 (adjusted to account for the effects of Hurricane Helene). Hotel revenue estimates assume $125 ADR and 239,999 base-scenario day-trip visitors.

INVESTMENT PITCH

THE PLANNED INVESTMENTS DRIVEN BY THE RAISE THE ROCK RECOVERY ACTION PLAN MAKE CHIMNEY ROCK VILLAGE A COMPELLING LOCATION FOR PROSPECTIVE BUSINESSES AND INVESTORS LOOKING TO BE PART OF CHIMNEY ROCK VILLAGE'S RE-EMERGENCE AS A MAJOR REGIONAL DESTINATION.

400,000+

ANNUAL VISITORS TO CHIMNEY ROCK STATE PARK

73%

INCREASE IN RUTHERFORD COUNTY VISITOR SPENDING BETWEEN 2016 AND 2024

Class A

ANTICIPATED COMMERCIAL DEVELOPMENT ON MAIN STREET

Expanded Season

GROWING DESTINATION FOR BEST-IN-CLASS ROCK CLIMBING

New Recreation

UPCOMING RIVER EXPERIENCES NOT FOUND IN THE REGION

Untapped Demand

FOR NEW HOSPITALITY DEVELOPMENT

PROJECTED DEMAND FOR OVERNIGHT ACCOMMODATIONS

THE STORM'S IMPACT ON OVERNIGHT ACCOMMODATIONS

Prior to Hurricane Helene, Chimney Rock Village had 137 hotel rooms and 105 campsites, plus additional short-term rental options through platforms like Airbnb and Vrbo. As of the spring of 2026, only 27 hotel rooms and 20 campsites were available for guests.

NEW VISITORS TO CHIMNEY ROCK VILLAGE ARE PROJECTED TO SUPPORT BETWEEN 350 AND 550 ROOMS AND CAMPSITES.

This includes the rebuilding of the rooms and sites destroyed by the flooding. Projected demand would support 100 to 300 new rooms or sites beyond the pre-storm supply. Adding more rooms and sites is essential to capture this visitor spending in the village. Otherwise, visitors will spend the night elsewhere.

Note: The back-of-the-envelope estimate for supportable overnight accommodations is based on anticipated visitor spending and assumes an average daily rate of $125 and a 25% vacancy rate.

AN EMERGING ROCK-CLIMBING DESTINATION

As Chimney Rock Village rebuilds, it will be increasingly well-positioned to capture spending from an emerging customer segment: rock climbers. The Lower Ghost Town area of Round Top Mountain, just above Chimney Rock Village, has grown into one of the most popular climbing destinations in the region in recent years, and recent investments are expected to further boost visitation. In 2025, two nonprofits acquired 16 acres of land to establish the "Lower Ghost Town" as a dedicated climbing area. A recent trail was built to directly connect the area to Chimney Rock Village. These investments will support Chimney Rock Village's economic recovery by strengthening demand during the village's slowest months, late fall, winter, and early spring.



A POTENTIAL BLUEPRINT MODEL FOR NORTH CAROLINA'S GROWING OUTDOOR ECONOMY

North Carolina has been positioning itself over the past several years as a national leader in leveraging outdoor recreation as a local economic development driver. Since 2023, the State has invested over $50 million in trail infrastructure and established the Creating Outdoor Recreation Economies (CORE) program to help communities economically leverage their outdoor assets. The recently completed North Carolina Comprehensive Outdoor Recreation Plan further established the strategic goal of harnessing the state's recreational assets to support economic growth in economically challenged communities. Chimney Rock is uniquely positioned to serve as a national model for such efforts, with its planned river recreation opportunities, new trail and State Park connections, and growing base of rock-climbing visitors.



Sources: Blue Ridge Public Radio, "Nonprofits purchase 16 acres for rock-climbing area in hard-hit Chimney Rock," November 2025, Access Fund. "Carolina Climbers Coalition and Access Fund Purchase Lower Ghost Town," November 2025.
Image Credits: Carolina Climbers Coalition via Blue Ridge Public Radio, Chimney Rock Park via Our State Magazine

MOVING FORWARD

RECOMMENDATIONS FOR MAXIMIZING POTENTIAL IMPACT

In the coming years, it is critical for Chimney Rock Village leadership and other partners to prioritize the following elements to fully realize the long-term economic potential of the planned Raise the Rock enhancements.

URGENCY OF REBUILDING AND INVESTMENT

While progress has been made in Chimney Rock to rebuild destroyed businesses and homes and reconstruct infrastructure, significant construction still remains, impacting customer traffic and visitation. Businesses remain under significant strain with the current decline in customers. The faster these improvements can happen, the better position Chimney Rock Village's businesses will be in to anchor the future of Chimney Rock Village.

CONTINUE TO MEASURE IMPACT

Consider monitoring and tracking customer volume and demographics using new data sources, such as Datafy, to understand ongoing impacts and customer growth.

IMPORTANCE OF COLLABORATION AND REGIONALISM

Chimney Rock Village, Lake Lure, and Bat Cave will get more attention and assistance if they work together (spanning two different counties). This will help get more resources. The economic impacts of Chimney Rock Village will also help support Lake Lure and Bat Cave, and vice versa. Stronger economies in nearby communities will help local businesses and the overall regional economy.

NEED FOR CONTINUED BUSINESS SUPPORT

The continuation of grants and financial resources for businesses that have resumed operations since Hurricane Helene will continue to be paramount to the vitality of their operations. Customer traffic remains significantly lower than before the disaster, and businesses need to manage their cash flow to account for the decline in revenue. Additional financial support and grants also addresses the catch-22 of business owners being reluctant to reopen and extend operations until enough other businesses have reopened to meet the critical mass needed for a vibrant destination.

EXPANDED TOURISM INFRASTRUCTURE NEEDS TO MEET PROJECTED DEMAND

The projected visitation to Chimney Rock Village necessitates improvements to the village's tourism infrastructure beyond the Raise the Rock projects and improvements, such as:

OVERNIGHT ACCOMMODATIONS

Chimney Rock Village will need more beds and a variety of accommodation types to meet the needs of the evolving, increasingly varied visitor base. New lodging options should reflect a mix of traditional hotels like the Esmeralda Inn, campsites for hikers and climbers, and even glamping and newer accommodation models.

PARKING AND TRANSPORTATION

Projected annual visitation could generate a demand for 400 to 600 parking spaces. This could be accommodated through expanded parking in the village and nearby communities, as well as shuttle options and other creative solutions.

MARKETING

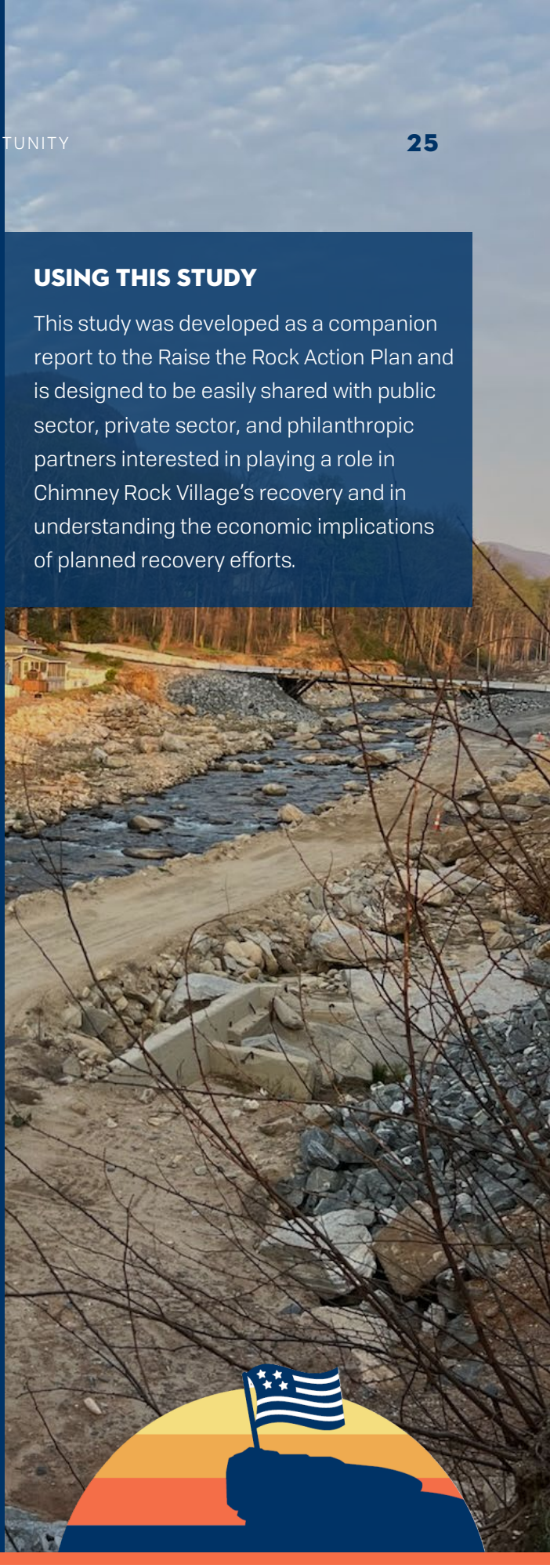
More robust marketing efforts will also be needed to get the word out and fully capitalize on new recreational and commercial amenities.

QUALITY DESIGN AND MAINTENANCE

One of the most fundamental aspects of Chimney Rock Village's long-term economic health is its quality of place. High-quality design and ongoing maintenance of planned buildings and public spaces are essential to ensure that Chimney Rock Village provides a consistently pleasant, aesthetically enriching experience for visitors.

USING THIS STUDY

This study was developed as a companion report to the Raise the Rock Action Plan and is designed to be easily shared with public sector, private sector, and philanthropic partners interested in playing a role in Chimney Rock Village's recovery and in understanding the economic implications of planned recovery efforts.



ABOUT THIS METHODOLOGY

The economic impact potential of the Raise the Rock Action Plan was analyzed based on the projected increase in spending attributable to planned infrastructure and commercial development projects included within the plan. The analysis is forward-looking and conceptual – assessing the local economic impacts that would result from a range of potential increases in visitation and spending (a "Low Scenario" and a "High Scenario") in Chimney Rock Village over the first ten years of Raise the Rock plan implementation. Projected visitor spending increases and associated economic impacts will occur at businesses both within Chimney Rock Village and the surrounding area. The ultimate capture of additional visitor spending attributable to Raise the Rock investments will depend on the future growth of Chimney Rock Village's business and accommodation supply.

METHODOLOGICAL INSIGHTS

10-YEAR IMPACT TIMEFRAME. The analysis assumes 2028 as the first year of the majority implementation of the planned Raise the Rock investments, to establish a clear benchmark for assessing potential impacts. The actual timeframe for the Raise the Rock implementation will span multiple years, and the attributable impact of these investments will therefore be realized incrementally as build-out occurs. The study highlights impact figures achievable after ten years of plan completion to capture the anticipated year-to-year growth (through marketing, word-of-mouth, etc.) enabled by planned investments. All figures are represented in 2026 dollars and are not adjusted for inflation.

VISITOR SPENDING. The study assesses the amount of consumer spending on lodging, food and beverage, entertainment, souvenirs, gear, and other items attributable to planned Chimney Rock investments. This spending constitutes the full potential stabilized impact of planned investments. This total amount of spending was measured by multiplying ESRI Business Analyst 2024 sales figures from within Chimney Rock Village (pro-rated to account for Hurricane Helene destruction in September 2024) by two figures: a) an assumed baseline year-to-year growth rate of 7.53%, based on the 2017-2024 average year-to-year growth rate of Rutherford County visitor spending (Tourism Economics) and b) a projected increase in visitation attributable to planned investments. Total visitation figures assume a $97 average daily visitor spend, based on inflation-adjusted daily spend figures measured in "Nantahala and Pisgah National Forest Paddling Impact Study."

VISITOR SPENDING SCENARIOS. The analysis uses a "Low Scenario" increase of 10% above pre-storm visitor expenditures and a "High Scenario" of a 50% increase above pre-storm visitor expenditures. Scenario increase estimates are based on spending boosts experienced or projected in comparable communities with similar public realm and outdoor recreation investments, including Tennessee RiverLine-adjacent communities *(Tennessee RiverLine Partnership, 2022),* and Great American Rail Trail-adjacent communities *(Rails-to-Trails Conservancy, 2022),* Little Yampa Canyon, CO *(Colorado State University, 2023*), Arkansas River-adjacent communities *(Arkansas River Conservation Cooperative, 2025; Envision Chaffee Recreation Report Card, 2020)*. The actual increase in visitation to Chimney Rock Village may vary from this range and will depend heavily on the quality of the design, maintenance, and marketing of new public realm, outdoor recreation, and commercial development investments. The fiscal impact analysis assumes 100% of spending will occur within Rutherford County, though actual future spending will include some expenditures in adjacent Buncombe and Henderson counties. As Chimney Rock Village expands its business and lodging, more visitor spending will be captured directly within the Village and Rutherford County.

DATA SOURCES AND ADDITIONAL DETAILS

DATA SOURCES. This study used IMPLAN, which leverages data and multipliers specific to Rutherford County to calculate the indirect and induced economic impact and direct fiscal contribution. Multipliers use 2024 data, the most recent available data year in IMPLAN. IMPLAN was used to (a) provide needed data multipliers and (b) generate a model that uses employment and spending inputs to estimate the corresponding impact on jobs, wages, economic output, and fiscal revenue. Other data sources include ESRI Business Analyst (local business and revenue data), Chimney Rock State Park visitation data, Visit North Carolina's "County-Level Visitor Expenditures" developed by Tourism Economics, Outdoor Alliance's "Nantahala and Pisgah National Forest Paddling Impact Study" developed by Headwater Economics (daily visitor spending assumptions), and historical occupancy tax data provided by the Rutherford County Tourism Development Authority.

Construction cost estimates for public realm, water and sewer infrastructure, bridge and road construction, and Village-owned development provided by Chimney Rock Village and Recreation Engineering and Planning. Private commercial development construction estimates calculated by JS&A, assuming $350/SF construction cost and 10,800 total square footage across Riverside West, Main Street West, Main Street East, Terrace Drive Infill, and Village Square Infill sub-areas, as defined in the Raise the Rock Action Plan.



ABOUT THIS METHODOLOGY

DATA SOURCES AND ADDITIONAL DETAILS (CONTINUED)

STAKEHOLDER ENGAGEMENT. JS&A conducted interviews with a range of Chimney Rock Village stakeholders to inform this study and develop assumptions for the economic impact analysis. Interviews were conducted with 13 local business owners to assess customer traffic trends, visitor demographic patterns, and business outlook sentiments. JS&A also interviewed representatives from Chimney Rock Village, the Governor's Recovery Office for Western North Carolina Outdoor Economy Office (GROW NC), Rutherford County Tourism Development Authority, Destination by Design, and Recreation Engineering and Planning. Interviews were conducted in-person and virtually.

ABOUT CHIMNEY ROCK VILLAGE

The Chimney Rock Village is located within Rutherford County, North Carolina. It is governed by an elected Mayor and Village Council, which oversees the management of Chimney Rock Village and its long-term direction. For more information about Chimney Rock Village, please visit www.chimneyrockvillagenc.gov.

ABOUT JS&A

The Chimney Rock Village engaged Jon Stover & Associates (JS&A) to lead the creation of this study. JS&A is an Economic Development Consulting firm that specializes in economic and fiscal impact analysis, industry analysis, and economic development strategy.



APPENDIX

HURRICANE HELENE'S IMPACT ON HOSPITALITY ACCOMMODATIONS

OVERNIGHT ACCOMMODATIONS	PRE-STORM ROOMS	POST-STORM ROOMS (Spring 2026)
Esmeralda Inn	14	0
Evening Shade River Lodge Motel & Cabins	13	0
Hickory Falls Guesthouse	10	0
Best View Inn	12	0
Broad River Inn	8	0
Riverside Lodge	13	13
The Carter Lodge	16	0
Chimney Rock Inn	14	14
Geneva Riverside Lodging	37	0
Campsites	105	20
Short-Term Rentals	Approx. 20	--
TOTAL ROOMS	**137**	**27**

As of Spring 2026, less than 20% of Chimney Rock Village's hotel and motel rooms and campsites are available for guests.

HURRICANE HELENE'S IMPACT ON RESTAURANTS AND DINING

PRE-STORM RESTAURANTS	POST-STORM RESTAURANTS
Esmeralda Inn	Chimney Rock Smokehouse
Burntshirt Vineyards Tasting Room	Riverwatch Bar & Grill
Chimney Rock Smokehouse	
Chimney Rock Brewery	
La Montaña Mexican Restaurant	
The Highlands Kitchen + Bar	
Old Rock Cafe	
Riverwatch Bar & Grill	
Stagecoach Pizza Kitchen	

As of Spring 2026, only two of Chimney Rock Village's prior nine restaurants are open for dining.



CONSTRUCTION PROJECT COST INPUTS

CONSTRUCTION PROJECT	ASSUMED TOTAL COST
Repair Projects *Projects to Rebuild Back to Pre-Storm Conditions*	**$260,500,000**
Highway and Other Repairs	$247,500,000
Water and Sewer Replacement and Extensions	$8,000,000
Other Projects (Downtown/Riverwalk/Parking/Parking)	$2,500,000
Covered Bridge	$1,250,000
Falls Bridge	$1,250,000
Improvement Projects *Projects To Add New Amenities And Boost Resilience*	**$94,525,284**
River Restoration & Riverwalk	$37,828,284
Biz Hub Building Downtown	$15,500,000
Emergency Water Shed Protection	$10,600,000
Downtown Streetscape	$5,500,000
Extensions, Waste Treatment Plant, Improvements	$10,500,000
Riverwalk Berm	$5,000,000
Traffic Circle	$2,500,000
Pedestrian sidewalk of CR Park Bridge	$1,000,000
Other Private Commercial Development	$6,097,000
TOTAL ASSUMED CONSTRUCTION COSTS	**$355,025,284**

Note: Construction cost estimates for public realm, water and sewer infrastructure, bridge and road construction, and Village-owned development provided by Chimney Rock Village and Recreation Engineering and Planning. Private commercial development construction estimates calculated by JS&A, assuming $350/SF construction cost and 10,800 total square footage across Riverside West, Main Street West, Main Street East, Terrace Drive Infill, and Village Square Infill sub-areas, as defined in the Raise the Rock Action Plan.

ASSUMED AVERAGE CHIMNEY ROCK VISITOR SPEND

SPENDING CATEGORY	AVG. SPEND PER VISIT	PERCENTAGE
Lodging	$38.86	40%
Restaurants	$27.04	28%
Entertainment	$17.94	19%
Gear	$6.35	7%
Souvenirs	$5.08	5%
Other	$1.46	2%
TOTAL	**$96.73**	**100%**

Note: Assumed average visitor spending based on inflation-adjusted daily spend figures measured in "Nantahala and Pisgah National Forest Paddling Impact Study." Spending figures were adjusted to match current business mix of Chimney Rock Village excluding spending business types that are not present in the village, such as grocery stores, gas stations, and travel companies.

ECONOMIC IMPACT OF INCREASED VISITATION (LOW SCENARIO)

IMPACT TYPE	EMPLOYMENT	LABOR INCOME (Employee & Proprietor Income)	ECONOMIC OUTPUT
Direct Impact	305	$8,399,081	$28,612,632
Indirect impact	45	$2,126,514	$7,985,638
Induced Impact	26	$1,106,058	$4,303,185
ECOOMIC IMPACT	**376**	**$11,631,653**	**$40,901,456**

ECONOMIC IMPACT OF INCREASED VISITATION (HIGH SCENARIO)

IMPACT TYPE	EMPLOYMENT	LABOR INCOME (Employee & Proprietor Income)	ECONOMIC OUTPUT
Direct Impact	474	$13,162,139	$44,346,650
Indirect impact	69	$3,254,443	$12,260,101
Induced Impact	41	$1,724,970	$6,711,150
ECOOMIC IMPACT	**584**	**$18,141,551**	**$63,317,900**

Note: Low Scenario and High Scenarios, respectively, assume an additional 10% and 50% increase in annual visitorship attributable to the Rocky Broad River Restoration and Riverwalk projects, and other Raise the Rock infrastructure projects, expected to drive visitorship beyond pre-storm levels. 10% and 50% estimates are based on visitorship increases experienced in similar river-based revitalization projects in comparable commercial districts. Employment figures include full-time and part-time jobs. Labor income figures include employee and proprietor income. The "Economic Output" column reflects the value of production of goods and services in a calendar year. Specifically, this figure describes annual revenues plus net inventory change. The direct impact on economic output is lower than the amount of additional tourism spending because retail margin coefficients are applied to production values.
Sources: Jon Stover & Associates, IMPLAN (2026)



JS&A

Economic
Development
Consulting