

I-85 The Boom Belt, South Carolina

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I-85 The Boom Belt, South Carolina

South Carolina's section of I-85 is 106 miles long, part of a route from Montgomery, Alabama, to Petersburg, Virginia. The first contract on I-85 in the State was awarded September 21, 1956, for a bridge over the Broad River in Cherokee County at a cost of \$280,665. This was also the first contract in South Carolina's Interstate Program following President Dwight D. Eisenhower's signing of the Federal-Aid Highway Act of 1956. The last construction contract was awarded in January 1962 and the highway was finally opened its entire length in September 1964, the first of South Carolina's Interstate highways to be completed. Construction of I-85 in the State cost \$267 million.

In Spartanburg

The writer F. Scott Fitzgerald said, "There are no second acts in American lives." He may have been right about American lives, but as for I-85, Section 139 of the Surface Transportation Assistance Act of 1982 accidentally authorized a second act. By then, I-85 through Spartanburg was inadequate for the demand. It pre-dated the Interstate System and had been incorporated into it after 1956. The design was, as one engineer said, "awful"--at grade intersections on ramps, too many interchanges, extremely poor geometrics at interchanges and on the mainline, and lots of adjacent development that made improvements difficult and expensive. The logical choice was an I-85 bypass. Just one problem--it wouldn't be eligible for Interstate construction funds--funds made available on a cost-to-complete basis to cover 90 percent of whatever the cost turned out to be - since the designated Interstate highway had already been built.



Section 139 was a classic provision - classic in the sense that its sponsored intended for it to apply to only one highway that they decided not to name. Instead, Section 139 described it as "any Interstate route or segment [that] meets the following criteria." The criteria were:

1. it has been designated under section 103(e) of title 23, United States Code;
2. it is serving Interstate travel as of the date of enactment of this section;
3. it requires improvements which are eligible under the Federal-Aid Highway Act of 1981, and which would either involve major modifications in order to meet acceptable standards or result in severe environmental impacts and such major modifications or mitigation measures relating to the environmental impacts are not cost effective.

This language, translated, meant: relocate I-40 through Winston-Salem, North Carolina. Discussing the provision during the Senate debate on December 15, 1982, Senator Jesse Helms (R-NC.) explained that:

Briefly, Mr. President, there is an incomplete section of Interstate 40 running through Winston-Salem that is one of the most heavily traveled and dangerous section of interstate highway anywhere in the country. It is an understatement to say this section of highway poses a serious safety problem.

This section of I-40 had been among the first built with Interstate Construction funds under the Federal-Aid Highway Act of 1956. A 3-mile segment of the East-West Expressway opened to traffic on January 6, 1958, and within a week, was carrying over 17,000 vehicles a day. The North Carolina State Highway Commission's annual report for 1956-1958 explained:

A new era of highway transportation had begun in our State; an "open road" had been forged through one of our important and populous cities. Built to the high engineering standards of the Interstate System, the facility offered divided pavements of adequate width, completely protected access and convenient points of entrance and exit. Gone were the dangers of cross-traffic movement and left turns. There were no intersections at grade, no stop-lights and the Expressway was fully illuminated for maximum driver safety at night. Best of all, the facility was designed to carry efficiently the tremendous traffic increases anticipated in the next twenty to thirty years.

The U.S. Bureau of Public Roads mentioned the East-West Expressway in its annual report for fiscal year 1958:

In North Carolina, a 2 1/2 -mile section of the Winston-Salem Expressway was completed during the year. The 4-lane freeway, extending from the downtown area to the city limits, was planned in close cooperation by city, county, and State officials. Twelve miles of further improvements, extending the expressway east and west, were under contract by the end of the year.

Nearly 25 years later, the Surface Transportation Assistance Act of 1982 authorized relocation of the section without naming it or the city in which it was located.

Considering that the congressional sponsors of the provision were proud to have solved their constituents' problem, The Rambler considers it odd that they didn't want to name the highway in the provision. As sometimes happens with these specific generic descriptions, the unintended consequence was that Section 139 also applied to I-85 through Spartanburg. The Federal Highway Administration approved its eligibility for Interstate Construction funding on December 7, 1983.

In April 1988, construction of the 8.75-mile Spartanburg bypass began with grading work in the New Cut Road area. South Carolina highway officials considered designating the bypass I-285 and leaving the I-85 designation on the Downtown Expressway. However, Section 139 called for a relocation of the Interstate, and the number, therefore, was reassigned when the bypass opened in mid-June 1995, marking the second time I-85 was completed in South Carolina. Old I-85 became I-85 Business Route.

An Economic Boom

From the start, I-85 brought an economic boom to the areas of South Carolina through which it passed. An article in the *Columbia State and Record*, December 8, 1963, pointed out that land values in Greenville County had doubled in 10 years, with most of the increase occurring along I-85. It had already brought an automobile company with a \$300,000 plant to the area and a \$2 million shopping center. A Greenville Chamber of Commerce official said:

We can't bring in an industrial client who is not impressed with what the Interstate has to offer
Transportation really is our lifeblood.

The boom had affected Spartanburg as well:

Spartanburg Mayor Robert L. Stoddard said in the seven years since the Interstate routes were first announced, some \$50 million was invested in more than a dozen new plants and businesses along I-85 at Spartanburg. Another dozen industries have located in the county and construction permits in Spartanburg have gone up 250 per cent in the seven years.

While the textile industry turned to automation which costs many jobs, Spartanburg County has been able to increase employment by 2 per cent as a result of new industry moving in.

The boom was so strong that by 1966, businesses along I-85 had one complaint: not enough workers. An article in *The New York Times*, July 8, 1966, reported:

An industrial boom is advancing along the fringes of Interstate Highway 85 from Danville, VA., to Atlanta. It is bringing new prosperity to the region, but it also has caused a severe labor shortage.

This labor scarcity, in turn, is spurring a variety of social changes, along the four-state route. Employers report marked improvements in working conditions and wages and new strides in integration, with expanded opportunities for Negro workers.

The shortage was especially acute in Spartanburg County, which had been "invaded" by investments in plants or additions totaling \$100 million.

So acute is the situation that prisoners are being recruited as fast as they are released from jail. William Maroney, president of Taylor-Piedmont, a word processing concern [with a branch in Spartanburg] said:

We're recruiting at the prison gates. We took a salesman off the job just to look for new workers. He's tried all the nearby prison camps, looking for men becoming eligible for parole. But the supply of prisoners is about dried up. We also tried to get Cuban refugees from Miami. No luck. We've gone to Army-Navy recruiters asking for 4-f's.

"We're so desperate we hired 39 women to do men's jobs. At the end of a month only four remained."

The Boom Belt

The economic impact of I-85 was highlighted in *Business Week* magazine on September 27, 1993. The cover featured an Interstate shield with "Interstate 85" on the top and "THE BOOM BELT" in the center where the number usually appears. The cover blurb read:

Drive Interstate 85 from Georgia to the Carolinas, and you'll travel through the heart of an economic success story. There are lessons for the rest of the country.

The story, written by Dean Foust and Maria Mallory, indicated that by embracing "the global economy like no other" and by adopting an aggressive industrial policy to lure investment with incentives, States along I-85 were achieving major dividends:

The strategy has helped transform the region bordering I-85, the Southeast's primary transportation artery, from a sleepy economic backwater into an area that's growing as fast as its prolific kudzu vines And a poll of corporate real estate executives last year led Ernst & Young to predict the region flanking I-85 between Raleigh-Durham, N.C., and Atlanta will be "the preferred megacorridor for business" in the 1990s

No where is the foreign presence more visible than in the rolling foothills of the Blue Ridge Mountains in the western part of South Carolina. So many German companies have flocked to this area that locals have nicknamed one stretch of I-85 "the Autobahn." In Spartanburg, a county of 230,000 that claims the highest per capita foreign investment in the U.S., the roster of foreign manufacturers includes Hoechst Celanese, BASF, BIC, Michelin, Hitachi, Adidas, and Menzel In many towns along I-85, wages lurch ever upward.

The "Boom Belt" article in *Business Week* explained how Greer became the location of a BMW plant. This passage is reprinted at length because it illustrates how I-85, by itself, wasn't enough--rather, like a foot in the door, I-85 activated the opportunity.

If you want to know why the South is rising again, consider Project Pretoria. That was the code name BMW gave to its search for a low-cost site for a plant to make its popular 3-series models. Over three

years, the auto maker scoured 250 locations in 10 countries. By the spring of [1992], the battle for the \$400 million facility was reduced to a showdown between Nebraska and South Carolina.

South Carolina, BMW officials mused, had in its favor a temperate climate, year-round golf, and, as the dollar declined against the mark, inexpensive antebellum mansions. There was just one problem: The only site that appealed to BMW executives was a 1,000-acre tract off Interstate 85 containing a large number of middle-class homes.

That obstacle evaporated under a determined onslaught by state officials. Sweet-talking pols, including Republican Governor Carroll A. Campbell, Jr., blitzed the community near Spartanburg with visits and phone calls. Within 14 weeks, the state and local governments had spent \$36.6 million to buy all 140 properties including a home that one family had just finished building two weeks before they were approached. It was a stunning display of the state's efficiency and eagerness to attract new employers. And it paid off in June, 1992, when BMW said it would bring 2,000 jobs and a \$66.5 million annual payroll to South Carolina

To land the BMW plant, South Carolina [also] agreed to screen all job applicants and then train BMW's entire work force through the state's technical schools The financial incentives necessary to land the BMW plant--including a \$1-a-year lease on the 1000 acres--will cost South Carolina taxpayers \$130 million over 30 years, although most of the incentives are in the first year.

Many things contributed to this boom. According to the article, the States that I-85 passes through were aggressive in seeking investment, in helping to train workers, and in building infrastructure to support the growth. The region's comparatively cheap labor, low taxes, and few unions also appealed to businesses thinking about relocating.

But as the article made clear, whatever advantages the corridor possessed in other respects would have been meaningless without I-85. By providing the essential transportation ingredient, it opened the door to opportunity. The article pointed out that outside the I-85 corridor, a growing disparity was evident. "When you get away from this corridor, the jobs aren't out there." Former Governor and U.S. Education Secretary Richard Riley told the magazine, "Nobody comes to South Carolina just for cheap land and cheap labor anymore."

In the Eye of the Beholder

I-85 was also featured in "Highways are the Hidden Stars of Industrial-Recruiting Game" by Ken Geffert in Southeast Journal edition of *The Wall Street Journal*, February 28, 1996. Geffert began the article:

Jerry Howard has trouble seeing Greenville, S.C., without Interstate 85, which runs nearby. "It's impossible to overstate its importance," says the economic-development chief for the Greenville Chamber of Commerce. "It brought our manufacturing base, and with that everything else came service, housing, retail.

Stressing that Interstate access is one of the top factors for companies locating their facilities, Geffert said:

I-85, long a favorite of the region's premier recruits, is getting congested along some stretches making land and labor harder to find and driving up the price of both. In Greenville County, only 300 acres of land suitable for industrial use abutting the Interstate remain available, fetching up to \$50,000 an acre.

Executives, Geffert found, were scouring the Southeast for alternatives "and touching off a scramble among communities eager to make their patch of road the next I-85."

Jonathan Yardley, a book reviewer and occasional cultural columnist with *The Washington Post*, is a native of North Carolina. For the first time in years, he traveled through the South, including I-85 in South Carolina, in 1997. In a

column on January 13, 1997, he commented on his trip along I-85 in a way that offers a different view of the region's economic boom:

Along I-85 in South Carolina, a stretch of road that was almost barren when last I saw it, one hideous mall after another sprawls across the landscape. Coming over a rise, one is faced with the massive, gaudy plant where South Carolinians now build BMW automobiles for the moneyed classes, which now include, judging by the highway, many South Carolinians.

UPDATE: As for the East-West Expressway in Winston, Salem, North Carolina, the website <http://www.ncroads.com> discussed the deficiencies of the expressway from the perspective of experience:

Through the years, the Downtown Expressway has showcased many old-school freeway design traits: narrow ramps, short merge areas, bridges that cross at strange angles and only rudimentary grading of the roadbed. The road's most anachronistic feature was the Hawthorne Curve, a tightish curve immediately south of the downtown area and west of the U.S. 52 freeway. The speed limit dropped to 45 through the curve, with warning signs reading TOO FAST FOR CURVE WHEN FLASHING.

Because of the specific generic language of Section 139 of the Surface Transportation Assistance Act of 1982, relocation of I-40 in the Winston-Salem area was eligible for Interstate Construction cost-to-complete funds. An 18-mile bypass, designated I-40, opened in 1992. The bypassed segment of I-40 through downtown was designated Business Route 40 and is known locally, according to the website, as Green 40.
