

**GEORGIA DEPARTMENT OF ECONOMIC DEVELOPMENT
BOARD OF DIRECTORS MEETING MINUTES**

**Amicalola Falls State Park
418 Amicalola Falls State Park Road
Dawsonville, GA 30534**

**Thursday, February 21, 2019
2:00 pm – 5:00 pm**

**Compiled by:
Commissioner's Office
Georgia Department of Economic Development
75 Fifth Street N.W., Suite 1200
Atlanta, Georgia 30308
Phone: 404 962.4003 Fax: 404.962.4009**

Pursuant to notice duly given, the Board of Directors of the Georgia Department of Economic Development met on February 21, 2019, 2:00 pm, Amicalola Falls State Park Lodge, Dawsonville, Georgia.

Attending Board Members

1. Dennis Chastain
2. Wayne Christian
3. Kent Fountain
4. Ron Garrard
5. Tom Griffith
6. Larry Hanson
7. Randy Hatcher
8. Amy Kelley
9. Rusty Paul

Attending Advisors

1. Anne Kaiser
2. Sean McMillan
3. Kevin Shea

Board Member Dennis Chastain called the GDEcD Board Meeting to order at 2:00 pm and called on **Libby Cook, General Manager – Amicalola Falls State Park**, to welcome the Board.

Next, **James Hamilton, Director of Operations – North Georgia Mountains Authority**, told us about the North Georgia Mountains Authority. He spoke about the partnerships that help drive the State Parks, how they have survived the recent cutbacks, and the creative ways they have marketed the parks.

- There are 48 state parks, 15 state historic sites, 85,647 acres, 8 golf courses, 387 cottages, 55 group shelters, 41 campgrounds/2,400+ sites, 14 group camps/lodges, 5 lodges/conference centers, 530 miles of hiking, biking, nature, canoeing/kayaking, & equestrian trails, and 4,500 buildings
- Partnerships include: Friends of Georgia State Parks & Historic Sites, American Adventure Park Systems, Park Marina, National Park Service, US Army Corps of Engineers, US Forest Service – Department of Agriculture, Georgia Department of Transportation, Georgia Forestry Commission, Georgia Department of Economic Development, Georgia Department of Natural Resources – Historic Preservation Division, Law Enforcement Division, Wildlife Resources Division, Environmental Protection Division, Georgia Power, The American Chestnut Foundation, SORBA, Save Georgia’s Hemlocks, PATH Foundation, Robert Toombs House, Lapham-Patterson House, Jefferson Davis Historic Site, Bush Head Shoals, North Georgia Mountains Authority, Coral Hospitality, Hardman Farm
- The Hardman Farm partnership is not a typical partnership model. The farm, which has been renovated, is connected to a winery, a folk art pottery museum, and Nora Mills. It

is also connected by the Helen to Hardman trail which makes it easy to park and walk to the Farm.

- Using social media and generation successes to market the parks has been tremendous especially during the recession cutbacks. This strategy is especially effective with college students.
- DNR's partnership with GDEcD's Tourism Division is right in line with their strategic plan of getting outdoors. Together, we have the following partnerships that we jointly fund:
 - Georgia On My Mind Days
 - Georgia Traveler
 - The Excursion
 - Natural filming locations such as – Neel Gap & Sweetwater Creek
 - DNR's video plays at visitor centers around the state

Charles Burton, General Manager – Brasstown Valley Resort, was our next speaker. Coral Hospitality manages several properties through the North Georgia Mountain Association which run on a 5-year managed contracts. The partnership began with Lake Blackshear in May 2004 and includes Brasstown Valley, Unicoi, Amicalola Falls, Little Ocmulgee, and George Busby parks.

There has been \$25 million invested in park and lodges during the past five years. Several parks have had recent renovations as well as energy updates.

Marketing the parks as Adventure Lodges of Georgia has been very successful. Adventure Tourism, defined by ATTA as involving a combination of physical activity - a connection with nature and cultural immersion - is available at several of the parks. This, includes: archery, air rifle, fishing, kayaking, paddle boarding, zip lines, slack lines, birds, reptiles, and fly fishing. Adventure travel expanded at the rate of 65% in the last 5 years. The estimated revenue in the US and Europe is \$263 billion and 80% of tourism boards consider adventure travel a standalone sector compared to 40% just 8 years ago.

Next, **Ken Heaghney, Governor's Office of Planning and Budget – Georgia State University**, presented Georgia's Economic Conditions and Outlook. The following notes were taken from his slide presentation:

- GDP growth has been impressive
- Global Economic Environment
 - Synchronized global growth is over
 - Stimulus from tax cut and Jobs Act is fading
 - International trade tensions are a drag on growth prospects
 - No real evidence of major financial market problems
- Economic Overview: Key Strengths and Issues
 - Labor market conditions are robust
 - Consumer spending growth is solid with good underlying fundamentals
 - Business activity is growing but pace of growth has slowed
 - Housing is mixed

- Inflation is below target
- Labor Market Fundamentals are robust
- The US added over 2.6 million jobs in 2018
- Georgia added 114,000 jobs in 2018
 - Job growth was accelerating at year end
 - Metro area job growth is well-diversified
 - Unemployment is low
- Real consumer spending growth is solid
 - Consumer spending supported by higher wealth, higher real disposable income, and greater use of credit
- Auto sales are still high but no longer a source of growth
- Housing starts are trending higher but still below pre-recession peak
 - Home sales have weakened
 - Housing prices are rising at moderate, but declining pace
- ISM indices are still in expansionary territory
- Port activity is strong
- Business investment growth has slowed and small business confidence has declined from its peak
- Inflation is below the 2% target
- The Stock Market has regained its footing for now and risk measures have calmed
- The Fed has signaled a pause in interest rate hikes
- Yield spread sends a caution signal

Recap

- With slowing global growth, on-going trade tensions, and fading stimulus from tax cuts, US economic growth has likely peaked but fundamentals remain strong. Thus, the economic expansion is expected to continue albeit at a pace slower than in 2018.
- Labor markets are robust with strong job growth, low unemployment and more open jobs than unemployed. Consumer spending continues to propel growth.
- Georgia economy is similar – job growth, solid unemployment conditions, personal income growth.
- Housing is one sector where growth is lagging.
- Biggest risk factors? Self-inflicted wounds.

Dennis called on **Cheryl Hargrove, Director of Industry and Partner Relations – Georgia Department of Economic Development**, to present Georgia's Parks & Tourism: Gateway for Growth.

Cheryl started the presentation by stating that Georgia, with 15 national parks, has more than all of our border states. Of the contiguous states, only Tennessee has more (16) and that is because the entire state is designated as a national heritage area. Ocmulgee National Monument was ranked #1 on *USA Today's Reader's Choice* contest for "Best Archaeological Site" in 2018.

Georgia's 63 state parks offer add on partnerships with businesses and a gateway for surrounding areas with entries into the parks. Collaboration is very important as small businesses in the areas depend on tourism especially in peak seasons. Gateway communities and businesses offer visitors to Georgia valued services such as: lodging, restaurants, tour services, retail, and other attractions and activities.

When combined with park experiences, visitors often stay longer in a destination, spend more which contributes to the local economy and state tax revenue, share positive experiences with their friends and relatives, and return to Georgia to experience more.

The Department of Economic Development and the Department of Natural Resources have a great partnership where the parks are promoted by GDEcD with things such as the Explore Georgia Travel Guide and the IITA Reception: Georgia Road Trip.

Nine percent of domestic Georgia leisure visitors participate in national and state parks as an activating bringing an average party per stay spend of \$691. Fifty-eight percent of Georgia residents also participate in outdoor recreation each year which is a \$23.7 billion in economy in Georgia. There are more jobs that depend on outdoor recreation (238,000) than on the auto industry (207,000).

*Source: Georgia Outdoor Recreation Economy Report
(Outdoor Industry Association, July 2017)*

The Adventure Travel Market is valued at \$683 billion worldwide and IFC estimates the global "soft adventure" market to be worth \$745 billion.

Source: Adventure Travel Trade Association,
as reported in "20 Adventure Travel Trends to Watch in 2018"

Beyond the economic impact:

- Attractive places and quality of life are at a premium in today's economy
- Volunteers, staff and "Friends" of public lands (National, State Parks, Wildlife Refuges, etc.) live in gateway communities – and support stewardship of resources
- The value of a "view" –
 - "Scenic landscapes have economic value, not just because you or I think they are nice, but because other people are willing to pay to see the view and to experience the unique character of a place."
 - Housing, hotels, offices with scenic views always command premium prices. The better the view, the higher the price.

Source: National Association of Real Estate Appraisals

Next on the agenda, Cheryl invited three tourism partners of the state parks to discuss some successes:

Josh Brown, Co-owner – Wander North Georgia – Josh and his wife moved to Clayton County Georgia in 2015 and started a blog. The rest is history! The blog was a place where people could go to organize hiking meetups through social media. With a very successful blog underway, the couple opened an online store in June 2016 and right after that, in November, an 800 square foot store. In March of 2018 they moved into their present 4,000 square foot store.

Their story is based on values such as:

- Conservation – they believe in putting back more than they take out
- Community – celebrating and serving people who have been wise stewards of the area for generations
- People – stimulate an economic impact in the region for the next generation
- Marketing – telling interesting stories about the people and places that call North Georgia home

Wander North's story by the numbers:

- 30,000 Yearly In-Store Sales
- 112,000 Store Visitors
- 1,800 Online Sales
- Shipped to 46 States
- 300+ 5 Star Reviews
- Half Million Website Visitors
- 1 Million Monthly Online Impressions
- 25 Resell Partners Across the State
- Created 6 living wage jobs and 3 part-time positions (starting at \$12 an hour) in addition to Sunday Sweets

Along with strong values, the couple believes in giving back:

- 1% for Rabun County
- Donated \$17,967 in 2018 and \$23,000 in 2 years
- Stocked products from 23 small businesses, artists or makers within 100-mile radius in the store and supported an additional 48 across the country
- Cleaned and picked up over 1,000 pounds of trash through our series of cleanup hikes

Through a visitor survey that is offered to each person visiting the store, they have gathered the following information about their economic impact:

- 54% were visiting Clayton for first time
- 33% heard about Clayton from Wander
- Average group size is 3.4 people
- 94% of visitors were here for just the day
- Airbnb & camping was 100% of lodging
- 22% ate fast food
- 61% ate downtown
- 63% shopped at more than one business

- We believe the economic impact is conservatively 5-6 million dollars annually

Josh's passion is contagious as he talks about the state parks being a huge part of their story. Their focus is on inspiring people to get outdoors and, once outdoors, to care for this particular place that they love so much. They are storytellers and consider themselves part visitor center, part media company, part retail store, and part wholesaler. They act as a gateway to the outdoors instead of a gatekeeper of the beautiful area that they call home.

Margaret McLean, Director of Corporate Communication – Babyland General Hospital (home of over 140 million Cabbage Patch Kids & Little People), is also passionate about the Northeast Georgia Mountains and working closely with the surrounding state parks. Babyland General, a 70,000 square foot building sitting on 650 acres in the NE Georgia Mountains, has had visitors from all over the world. The English style gardens are a living tribute to Xavier's mother, known as Miss Eula.

The location is a gateway into the Smithgall Woods State Park and welcomes 200 collectors at their annual convention which has been going on for 31 years. Some of the convention visitors come in a week before the convention and some stay a week after to visit the surrounding areas. Based on conservative figures, they estimate the economic impact for the past 31 years to be around \$3.2 million.

To make learning fun, some of the dolls are named after the surrounding areas. Anna Ruby, a very popular Cabbage Patch doll, who is dressed in a tailored costume with military flair from the period, is proudly displayed at Hardman Farm where she educates visitors to the Farm on the Anna Ruby Falls which is 7.8 miles away.

There is a family package at the Unicoi State Park which offers a gift certificate redeemable at Babyland General and several gifts to welcome a newly adopted Cabbage Patch Kid. They also offer a crib or playpen for the family's dolls to use in their room while staying at the park.

Anna Ruby and the Cabbage Patch Kids are involved in projects that promote the area such as:

- Georgia Visitor Information Centers Displays in Valdosta and Savannah with three more displays on order
- Hardman Farm Backdrop at Anna Ruby Falls
- Anna Ruby and her family come to the annual Appalachian Christmas at BabyLand
- Free family admission put in Eggstravaganza Egg Hunt.
- Flyers that educate on Hardman Farm are sent to all White County School Children
- Cabbage Patch Fan Page Facebook – 628,000 Likes
- Eblast to 30,000 BabyLand past visitors promoting things to see & do in NE Georgia Mountains
- Press release distribution

Babyland General by the numbers:

- 240,000 visitors a year

- \$289 Million Economic Impact for past 30 years

Based on conservative 100,000 visitors - 45% Residents at \$76 per person & 55% non-residents at \$113 per person (source: DK Shiflet & Assoc.)

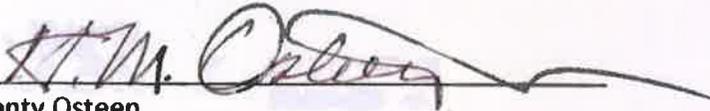
Next to speak was, **Frankie Willis, Owner – The Village at Indian Creek**. In 1990, Frankie Willis started a trucking business in Jackson, Georgia, which now has more than 400 employees in five terminals in Georgia and Florida. Soon, she needed something else to keep her busy so she started serving as President of the Butts County Historical Society which is where her interest in The Village started. She served as Restoration Director of the last phase of a \$1 million government funded restoration project of the County's 1823 Indian Spring Hotel which is now a museum and historic site.

Following the restoration, she began the private development campaign to save and restore 20 surrounding historic buildings. With the help of GDEcD, they were awarded a \$32,000 grant to produce a brochure that features the hotel/museum. Frankie's vision for the area included:

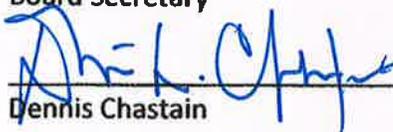
- A place where visitors could eat, sleep, and spend
- She, along with other Society members, wanted to make it a destination and with a state park across the street to help bring in the visitors, they started cleaning up the area, marketing, and telling the story and history of the McIntosh Treaty and the mineral springs
- The area is now a "weekend destination" where other venues such as Indian Springs State Park, Dauset Trails, and Indian Springs Holiness Campground have joined forces and welcome visitors to enjoy
 - 15 restored historic homes where weddings and events are booked
 - A 500-seat conference center
 - Restaurants and bars
 - Gardens for "accidental learning" opportunities for children
 - An amphitheater
 - Connector trails, and much more

Dennis Chastain adjourned the meeting at 5:12 pm.

Respectfully Submitted:



Monty Osteen
Board Secretary



Dennis Chastain
Board Member