

**REPORT OF THE
JOINT SUBCOMMITTEE STUDYING**

**The Economic Feasibility
of Expanding Recreational
Opportunities**

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



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Report of the Joint Subcommittee Studying
the Economic Feasibility of Expanding
Recreational Opportunities - HJR 130

I. Introduction

The Joint Subcommittee Studying the Economic Feasibility of Expanding Recreational Opportunities was established in 1988 pursuant to House Joint Resolution No. 130. The General Assembly requested the subcommittee to study the economic feasibility and advisability of (i) expanding the recreational opportunities of Douthat State Park, including the possible construction of a 150-room lodge and 18-hole golf course; (ii) further developing the Lake Moomaw area to provide increased tourist opportunities; (iii) further developing recreational facilities in the Alleghany Highlands; (iv) establishing a state park in Russell County at the junction of Big Cedar Creek and the Clinch River; and (v) establishing state parks in Washington County at Laurel Bed Lake and Hidden Valley Lake.

II. Subcommittee Activities and Deliberations

The subcommittee devoted much of its time (i) to a review of the VPI-SU study of the economic feasibility of expanding recreational opportunities at Douthat State Park and the Lake Moomaw area and (ii) investigating the desirability of developing a state park at the junction of Big Cedar and the Clinch River. During the course of its deliberations the subcommittee not only received testimony from a wide range of interested parties, including local officials and citizens, business leaders, recreational and technical experts and state officials but made site visits to those locations where the potential existed to expand current recreational opportunities.

A. Douthat State Park and Lake Moomaw

In early 1988 the Greater Alleghany Economic Development Commission seeking a new economic development initiative, contracted with Dr. Will Shepherd, Director of the Landscape Architecture Program at VPI-SU, to determine the economic feasibility of expanding the recreational offerings of Douthat State Park. The study team was to (i) review and evaluate the existing facilities and the prospects for expansion, (ii) develop an alternative land use plan which included a 150-room lodge, 18-hole golf course, and conference center, and (iii) determine whether such development was compatible with existing facilities and recreational experiences (Attachment A).

On September 15, 1988, the subcommittee traveled to Douthat State Park to review the results of Dr. Shepherd's assessment and receive public comment on the study's recommendations. In his opening remarks Dr. Shepherd noted that Douthat State Park is an excellent example of the design concepts developed by the National Park Service and used in Virginia in the 1930's. It was one of the original parks built by the Civilian Conservation Corps and remains on the Federal Register of Historic Places.

The study team began its analysis by evaluating the park's current condition, utilization patterns, and prospects for expanding the existing facilities of Douthat State Park. The study found that the park is seasonally under-utilized, in that most facilities are only open during the late spring, summer, and early fall. Dr. Shepherd stated that the park "appears to be developed at about 1/7th of its optimum carrying capacity" with the current facilities occupying 80-90 acres out of a land area of 4,500 acres. Even in the face of this apparent utilization, the park has been "under-maintained" over an extensive length of time. The subcommittee supports current efforts directed at maintenance and renovation of many of the fifty-year-old facilities. The study team concluded its analysis of the current land use situation by suggesting that there is sufficient usable land areas for a threefold to fivefold expansion "with little physical or ecological constraint."

To determine the economic feasibility of developing alternative land uses within Douthat the study surveyed five comparable state parks located in the adjacent states of Tennessee, West Virginia, and Kentucky. These parks were selected because they are of comparable size, located in relatively remote regions, and have a similar natural resource base. The survey results indicated that when compared to the five parks, Douthat State Park (i) is under-utilized and under-developed; (ii) does not generate a similar type and range of employment; (iii) offers a limited range of recreational activities; (iv) does not generate the magnitude of revenue within the park or in the surrounding communities; and (v) does not contain the range of recreational facilities of "modern family oriented parks."

The study found that Douthat could economically support a new land use program of additional cabins, development of a luxury moderately sized resort hotel with a conference center, an 18-hole golf course, additional facilities for the day use population, and renovation and upgrading of existing facilities. The 1987 operating budget for Douthat was approximately \$260,000 with revenues somewhat in excess of \$99,000. The study concludes that based on the experiences in these other states an expanded Douthat State Park should generate between \$2.5 million and \$4 million annually and employ between 80-120 permanent employees and seasonally employ 50-80 part-time staff. It is projected that attendance would increase from 186,000 to an annual figure of 600,000-700,000 people.

To change the nature of the park so that these benefits might be realized, the study proposes a seven-year phasing plan at an estimated cost of between \$13.5-\$17.1 million. The initial phase would be the construction of additional cabins, followed later by the renovation of the facilities and infrastructure improvement (i.e. water system and

roads), and finally construction of the hotel, conference center and golf course. In order to implement the plan the study suggests several funding sources should be investigated including state general funds, general obligation bonds, revenue bonds, user fees, dedicated revenues and other innovative sources (i.e. gift program, direct investment by private sector).

The expanded land use and construction of additional facilities will have an impact on the current park experience. Dr. Shepherd informed the subcommittee that there will be an increase in traffic, necessitating additional roadway access, increased noise, a change in views, and an increase in the number of users. In addition there will be several land use changes including removal of the current group camping facilities, realignment of portions of the existing trail system and land-disturbing activities such as clearing and grading in order to accommodate the construction of the additional facilities.

The VPI-SU research team proposed a strategy for achieving compatibility between the existing and any new facilities. Such a strategy would be based on the physical separation of certain activities. Such facilities as the proposed resort hotel and golf course would be isolated and buffered from the existing more primitive areas. In the words of the study "this strategy will insure that each facility will have its own character."

The subcommittee received public comment on the study's recommendations from a variety of local interests. Representatives of the surrounding local governments, the business community and many residents supported the study's recommendations and felt this is an economic development initiative which carries much promise for enhancing tourism, increasing employment and generating more revenue for the surrounding communities. While there was widespread support for the proposal some residents voiced their concern that such an initiative will change the character of the park's environment from an isolated passive opportunity for recreation to a more organized resort type of recreational experience.

B Lake Moomaw

The subcommittee also received a briefing from Dr. Shepherd and his study team on their analysis of the feasibility of expanding the recreational opportunities in the Lake Moomaw area. Their assessment looked at the desirability of constructing a marina, possible locations for campgrounds, picnic facilities and vehicular access. The United States Forest Service has agreed to assist in the development of two marinas along the lake, one in Bath County and the other in Allegheny County. These projects would require local matching funds. The study team recommended that a master plan be undertaken which would include the Lake Moomaw recreation area and the surrounding wildlife management area. The major objective of the master plan would be to explore the relative merits of various alternatives. The subcommittee recommends that any master plan consider the complementary nature of the activities which would take place in Lake Moomaw and Douthat State Park.

C. Park sites in Russell County

The subcommittee traveled to southwest Virginia to discuss with local officials the possibility of establishing a state park at the junction of Bed Cedar Creek and the Clinch River in Russell County and in Washington County at Laurel Bed Lake and Hidden Valley. The proposed site in Russell County covers 300 acres and includes a 94-acre tract which is owned by the county and operated as a county park. Since 1975 the Cumberland Planning District Commission has received approximately \$289,000 in federal and state grants for improving the recreational facilities. The site is characterized by scenic overlooks, high hanging rocks and white water. The park provides primarily a passive recreational opportunity, with day hiking, camping, and a stocked trout stream. The area has limited commercial or residential development value because of the landscape and severely restricted access. The appraised value of the land is estimated to be \$200-\$300 per acre because it is essentially mountainous land.

While the proposed site represents significant scenic and recreational values, the type of landscape and its limited accessibility raise questions as to the appropriate type of passive recreational activities which would be enhanced by the acquisition of such property.

The subcommittee therefore suggests that a feasibility study be undertaken prior to a capital outlay commitment. Such a study would provide answers to such questions as:

1. What is the appropriate use for such land (i.e. state park vs. natural area)?
2. What financial resources are available to fund such an acquisition (i.e. local in-kind, gifts)?
3. What kind of facilities would be appropriate?
4. What are the short and long term obligations?
5. What is the environmental impact?
6. What is the public's interest in this site?

The results of the feasibility study could then be presented to the General Assembly money committees, which would make a judgment as to the relative merits of such an acquisition.

III. Recommendations

1. The subcommittee supports the finding of the VPI-SU "Douthat State Park Feasibility Study" that it is feasible to develop alternative land use facilities in Douthat State Park. It is, therefore, recommended that the General Assembly appropriate the necessary funds to the Department of Conservation and Historic Resources to plan a pilot program to expand the recreational opportunities offered in Douthat State Park. The initial phase of such a program should be a study of the feasibility of the construction of a lodge and tennis facilities.

2. The subcommittee finds that Cedar Creek Park in Russell County is a unique scenic and recreational site. It is recommended that the General Assembly appropriate, through a budget amendment, the funds necessary for

the Department of Conservation and Historic Resources to perform a feasibility study of the alternatives for expanding the recreational opportunities at this site

Respectfully submitted,

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DOUTHAT STATE PARK FEASIBILITY STUDY

EXECUTIVE SUMMARY **Findings & Recommendations** **of Research Report**

For

Greater Alleghany
Economic Development Commission
Covington, Virginia

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SCOPE OF SERVICES

- 1. Review and evaluate existing facilities at Douthat State Park in terms of condition, utilization, and prospects for expansion.**
- 2. Develop and evaluate an alternative land use program at Douthat State Park to include:**
 - **150 room lodge, 18 hole golf course and related recreational facilities,**
 - **retreat and conference center and related recreational facilities,**
 - **a combination of the above outdoor recreational land uses as appropriate**
- 3. Analyze and evaluate the feasibility of alternative land use programs in terms of the following considerations:**
 - **physical conditions**
 - **ecological conditions**
 - **economic conditions**
 - **market (user) conditions**
- 4. Analyze and evaluate issues of compatibility of existing facilities, resources, and recreational experiences with alternative land use programs**
- 5. Develop conceptual plans and other information for a recommended land use program as needed**

Funding for this project has been provided by the Greater Alabama Economic Development Commission and University Extension

EXISTING LAND USE

Douthat's existing development takes up in area only one-seventh of the forty-five hundred (4,493) acres which comprise the park. The fifty (50) acre lake is the central feature of the park with a majority of activities and park facilities associated with it. Virginia Route 629 provides access to the park from Interstate 64 to the south and from Route 39 to the north.

One of the six original parks built by the Civilian Conservation Corp (CCC), Douthat was opened in 1936. The restaurant, bathhouse, spillway dam, lake, park office complex, log cabins, and lodge were constructed by the CCC. The intricate stonework, hand carved knobs, hand forged hinges and other evidence of local craftsmanship are still in use.

Douthat Park and its historic resources are on the Federal Register of Historic Places.

The current facilities consist of:

- 30 one and two bedroom cabins (25 rustic) for weekly rental from mid April to November
- 1 six room lodge for weekly rental from mid April to November
- 127 campground spaces located in 4 camping areas as follows:
 - Campground A - 35 spaces near north end of lake
 - Campground B - 39 spaces at north end of park
 - Campground C - 38 spaces across from park headquarters
 - Group camp - 15 spaces below damCampgrounds generally open from March to December each year
- 60 picnic tables located in 2 picnic areas as follows:
 - Picnic area A - 30 to 35 spaces adjacent to dam
 - Picnic area B - 30 to 35 spaces above road near damPicnic grounds open from March to December each year
- 80 (to 100) seat restaurant located adjacent to the lake with boat rental, bathhouse and swimming beach located at cove on east side of lake.

Restaurant, boat rental and swimming beach operated by concessioners typically from Memorial Day to Labor Day each year.

- Forty-five miles of hiking trails, access roads, park headquarters, nature study center (museum), interpretative trails, small boat access area and environmental education amphitheater.

The park is open for dayuse activities throughout the year

In addition, the park has maintenance facilities, three separate living quarters for park personnel, radio transmitting facility, a local water system (2 wells), and numerous small septic tank absorption fields for waste disposal. Many of the infrastructure facilities date from the original construction in the 1930's.

Attendance figures show a steady yearly increase with the 1987 figure at 186,000 people. While the park is open during the entire year, cabins, campgrounds and concession facilities are usually open for a 7 or 8 month period depending upon weather conditions. Typical daily attendance during the summer is about 1,500 people. Daily attendance during the winter is considerably lower as most facilities are closed.

The 1987 operating budget was about \$260,000. This level of expenditure represents a small steady increase over the 1985 and 1986 budgets.

Revenues for 1987 were somewhat over \$99,000; 1985 and 1986 revenue figures were somewhat over \$100,500 and \$94,000 respectively

Douthat State Park currently employs 5 permanent employees and typically hires about 15 seasonal employees during the summer period.

SUMMARY OF FINDINGS

A. DOUTHAT STATE PARK FACILITY (existing)

1. Douthat State Park is one of the six state parks constructed in the 1930's by the CCC.
2. Douthat State Park is an outstanding example of the design concepts developed by the National Park Service and used in Virginia in the 1930's
3. The primary features at Douthat State Park are the reservoir, spillway, creek corridor and surrounding wooded slopes, however, the landscape scenery is not spectacular or especially noteworthy.
4. Douthat State Park contains many historic structures and improvements which has placed it on the National Register of Historic Places.
5. Douthat State Park is under utilized seasonal, that is most park facilities are only available for a limited period in late spring, summer, and early fall.
6. Douthat State Park appears to be developed at about 1/7th of its optimum carrying capacity. The current facility occupies a total area of about 80 to 90 acres, not including reservoir, dam and spillway, trails and buffer areas, out of a total land area of about 4,500 acres.
7. Douthat State Park had been under-maintained for an extensive length of time which had seriously impaired the condition of structures and improvements. Recent efforts toward renewal in maintenance and rehabilitation of facilities and infrastructure are noteworthy.

B. PHYSICAL FEASIBILITY

1. The most suitable land for structural park development is in valley terrace, valley floor and upper bench locations, however portions of these units are restricted by existing land uses or major constraints to development
2. Upper steep ridges are not suitable for structural park development.
3. Usable valley terrace areas of 30 to 35 acres can be found east of Douthat Lake in and adjacent to existing park facilities. There are no primary constraints to development within these areas.

4. Usable valley floor areas of greater than 50 acres can be found south of the dam and spillway extending to the Wilson Creek intersection with Stony Run. The floodplain of Wilson Creek and associated wetland habitat are primarily physical constraints to development within these areas.
5. Usable upper bench areas of greater than 180 acres can be found west and southwest of Douthat Lake. The difficulties of access and noncontiguous pattern of suitable lands are the primary physical constraints to development within these areas.
6. Overall, there is sufficient suitable land area with adequate access for an expansion of about 3 times (240 acres) the current structural facility of the park. Including usable land areas with more difficult access would raise that total to about 5 times (400 acres). More remote or difficult access land areas will require careful planning and design to achieve compatibility with existing character and facilities.

C. ECOLOGICAL FEASIBILITY

1. The most sensitive ecological units are located in:
 - the southern portion of the valley floor,
 - the drainage swales which dissect the upper bench unit,
 - the northern portion of the valley floor and
 - the upper steep ridges.
2. Any natural seep or spring area is important for wildlife and should be protected and managed as a habitat resource
3. The southern portion of the valley floor is an extensive (20 to 25 acre) highly productive wetland habitat, in part formed by beaver activity and as areas of natural (seasonal) inundation. The southern valley floor area (wetland and dryland) currently supports a population of wild turkey
4. The drainage swales through the upper bench provide corridors for wildlife between wetland areas along Wilson Creek and upper ridge slopes of Middle Mountain and Bards Mountain.
5. The portions of park which have been cleared of undergrowth, such as the upper bench, valley terrace and valley floor, have limited productivity for wildlife because of a lack of food re-

sources and adequate cover. Such practices, especially in and adjacent to cabin areas, campgrounds, and picnic areas, is questionable.

6. The productivity and life of the reservoir at Douthat is limited by on-going sedimentation processes.
- 7 Overall, wildlife habitats of the park have already been impacted by existing use and management practices. The impact is highest in northern valley floor areas and valley terrace areas adjacent to Douthat Lake. More remote regions of the park have not been severely impacted by the outdoor recreational activities of the park.

D. SUMMARY OF PHYSICAL & ECOLOGICAL FINDINGS

There are sufficient usable land areas with little physical or ecological constraint to provide for an expansion in facilities by 3 to 5 times the current facility of the park. Such an expansion would require an additional 240 to 400 acres of usable land properly dispersed within the park.

E. COMPATIBILITY BETWEEN OLD & NEW FACILITIES

1. The strategy for achieving compatibility between the old and new facilities calls for a separation of certain uses, such as resort hotel and golf course development. The method of separation most appropriate is isolation and buffering of use areas. This strategy will insure that each facility will have its own character. The development of proper compatibility requires sensitive planning and design.
2. The potential impacts of new facilities on the existing park experience are:
 - traffic
 - noise
 - views
 - increased number of users
 - other minor impacts as noted

Proper mitigation through planning and design should reduce these impacts to a manageable level.

3. The major physical impact of the new facilities on existing facilities will be the following:

- removal of the group camping facility from the existing site; this facility is currently not programmed for replacement at another location.
 - removal of picnic facilities from upper picnic site; this facility is currently not programmed for replacement.
 - change in use of the superintendent's residence and adjacent historic structures including those located in picnic area 2.
 - realignment of portions of the existing trail system.
 - undergrounding or relocation of electrical transmission lines through portions of the park.
4. The major physical and ecological impact of new facilities on the site itself will be the following:
- the clearing, grading, and establishment of an 18 hole golf course and related facilities in the upper bench area; such activity will influence surface runoff, vegetation distribution, wildlife movements and subsurface drainage
 - the clearing, grading and construction of a resort hotel complex in the valley terrace area; such activity will have slight influence on surface runoff or drainage.
 - the construction of road access, storm drainage, water, and sewage facilities as required.

F. ECONOMIC FEASIBILITY

The economic feasibility of developing alternative land uses within Douthat State Park was investigated through a process of comparative analysis with other state parks. This study is an alternative to a detailed market analysis of Douthat and was chosen to provide a broader economic and social framework for comparative purposes.

Five parks were selected on the basis of comparable size, locational criteria, and the character of the natural resource base. These parks include:

Fall Creek Falls Park, TN

Pipestem, WV

Canaan Valley State Park, WV

Lake Barkley State Park, KY

Kentucky Dam Village State Resort Park, KY

All of the selected parks are located in relatively remote rural regions; some had no direct connection to interstate highways; some were located some distance from local communities. All of the parks had the typical (not spectacular) scenery of the region and all relied to some extent on water features as a draw to the park.

Each park facility was inventoried and analyzed through marketing literature or official reports and through telephone interviews with park superintendents and business managers. The type of information gathered included the following:

- size, location, natural resource character and age of facility
- data on revenues, expenditures and fiscal policies
- type of visitor and attendance figures
- employment characteristics by type of work
- type of character of structural facilities
- type and character of recreational improvements
- other facilities which support recreational use
- capital improvement, maintenance and management issues
- general business outlook for facility
- other issues or concerns raised in interview

A summary of each inventory and evaluation is included in the appendix of this report. The following is a brief overview of that research and our findings as it pertains to issues at Douthat State Park.

1. Douthat is generally under utilized and underdeveloped in comparison with the other state parks surveyed. The following table shows attendance and size figures for each facility including Douthat.

	Attendance	Size (acreage)
Fall Creek Park, TN	950,000	16,000
Pipestem Park, WV	900,000	4,000
Canaan Valley Park, WV	700,000	6,000

Lake Barkley Park, KY	900,000	3,600
Kentucky Dam Park, KY	na	1,300
Douthat Park, VA	186,000	4,500

The most current fiscal/annual revenue and expenditure figures for these facilities reveals a higher magnitude of economic activity and probable economic generation within the surrounding communities.

	Revenues	Expenditures	Gain/Loss
Fall Creek Park, TN	\$2,700,000	\$2,400,000	+ 300,000
Pipestem Park, WV	\$2,900,000	\$3,100,000	-200,000
Canaan Valley Park, WV	\$7,200,000	\$7,100,000	+ 100,000
Kentucky Dam Park, KY	\$4,000,000	\$3,600,000	+ 400,000
Douthat Park, VA	\$ 99,000	\$ 260,000	-160,000

- Douthat does not generate the type and range of employment in comparison with the other state parks surveyed. The following table shows a summary of most current permanent and seasonal employment statistics for each facility including Douthat.

	Permanent Employment	Seasonal Employment
Fall Creek Park, TN	87	50
Pipestem Park, WV	138	95
Canaan Valley Park, WV	140	230 to 300
Lake Barkley Park, KY	101	110
Kentucky Dam Park, KY	84	157
Douthat Park, VA	5	15

- Douthat does not contain the range of recreational facilities of modern family oriented vacation parks.

All of the parks surveyed contained at least one 18 hole golf course; several contained miniature golf courses primarily for children and additional 9 hole courses for executive (short time) play

All of the parks surveyed contained at least one large swimming pool center, tennis courts, sports fields, and playground facilities for young children; several of the parks contained additional facilities such as basketball courts, volleyball courts, softball diamonds, etc., several of the parks contained day care facilities for young children (so that parents can have the opportunity to recreate).

4. Douthat does not contain the range in lodging and meeting facilities of modern family oriented vacation parks.

All of the parks surveyed contained at least one large lodge or resort hotel with meeting rooms, dining and banquet facilities. Several parks contain more than one lodge which was used for special purposes, such as a retreat facility

All of the parks surveyed indicated that conference and/or retreat facilities were important in drawing visitors during certain periods of the year; marketing and support from local communities is an important ingredient in park fiscal management.

All of the parks surveyed operated on a full time yearly basis.

5. A number of issues or concerns were expressed by superintendents and managers of the surveyed state parks. These include the concern for proper park maintenance, increasing park employees salaries, and the need for long term leases to park concessioners.
6. Douthat State Park has excellent access from Interstate 64 to the south. Final construction of the last segment of Interstate 64 was recently completed in West Virginia, allowing direct connection between the Ohio Valley and the eastern seaboard. Traffic projections for this highway indicate at least a threefold increase in daily through traffic (15,000 to 18,000) within the next ten years. Much of this increase will be non-resident tourist traffic.
7. Douthat State Park has a current unmet demand for lodging which appears to average over 18 requests per week. Numerous individuals have suggested that Douthat should double the number of cabins currently available. Our projections indicate that 60 cabins would be occupied at an occupancy rate of greater than 75 to 80%.
8. In summary, it appears economically feasible for Douthat State Park to support the following minimum new land use program:
 - develop 30 additional cabins;

- develop a luxury, moderately sized resort hotel facility with conference and retreat capability;
- develop an 18 hole golf course complex and related recreational facilities; and
- develop additional facilities to meet the needs of adjacent day use populations and overnight users.

The comparative analysis of other state park facilities supports this minimum land use program.

A more detailed description of the new land use program is given in the following sections of this summary

9. An expanded Douthat State Park should generate revenues of between \$2,500,000 and \$4,000,000 per year and employ between 80 and 120 permanent employees and seasonally employ between 50 and 80 part time people. This projection is based on a yearly attendance of up to 600,000 to 700,000 people.
10. An expanded Douthat State Park would generate off-site economic activity along the Interstate 64 corridor, especially in and around the City of Clifton Forge.

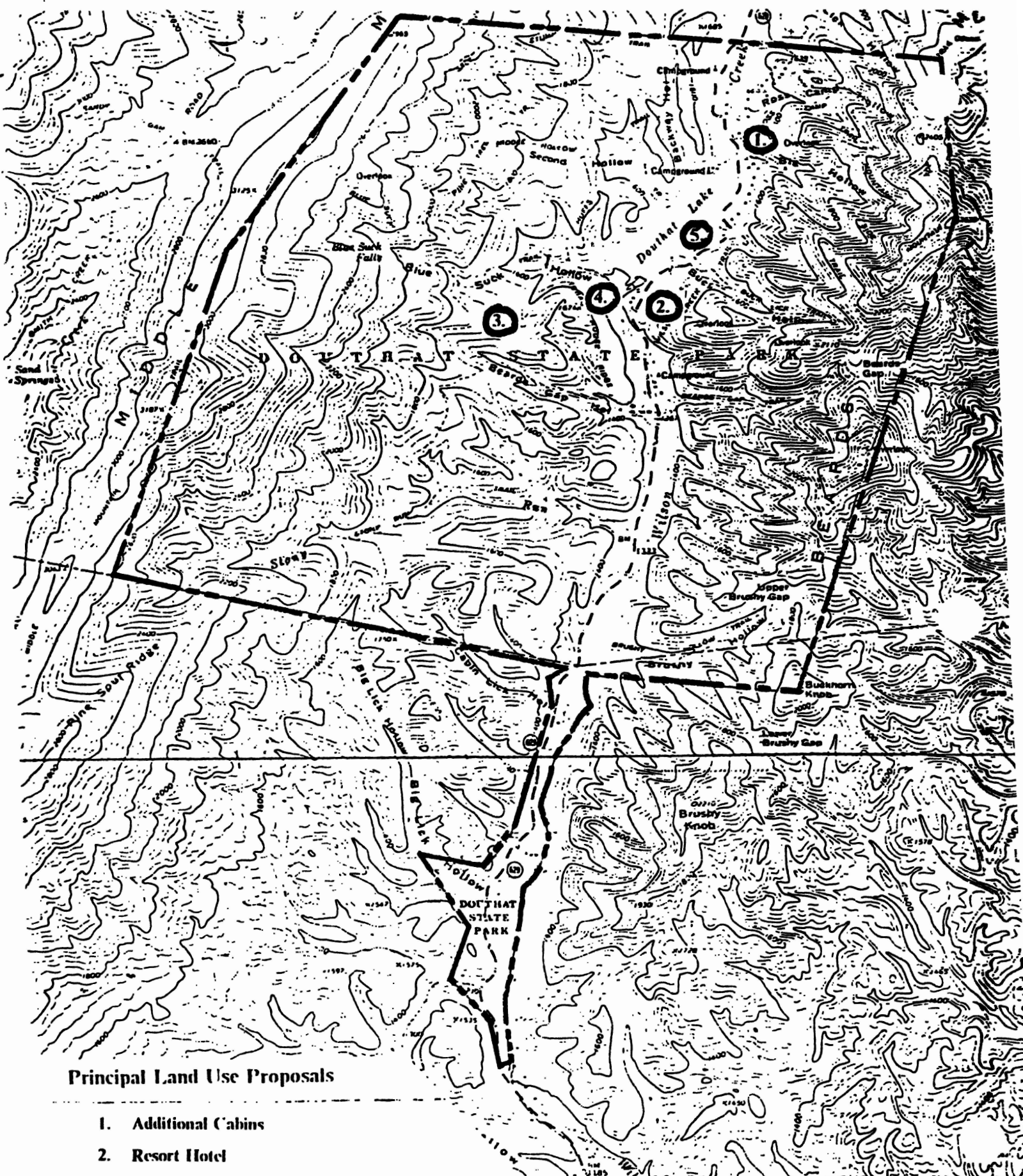
G. PROPOSED LAND USE

The new land use program was developed and refined through the master plan process in conjunction with other elements of the scope of services

The following are recommendations for the development of new facilities at Douthat State Park.

1. The construction of up to 30 cabins to be located in selected areas
 - a) adjacent to existing cabin facilities,
 - b) along the west side of Wilson Creek south of the spillway, and/or
 - c) near the east side of the lake

2. The construction of a 150 to 200 room luxury resort hotel (lodge) with banquet, conference and retreat accommodations. The location of the hotel facility to be in the vicinity of picnic area B and the Superintendent's Residence upslope from the lake.
3. The construction of an 18 hole golf course and clubhouse with related recreational facilities along the gently sloping bench west of Wilson Creek.
4. The construction of a swimming pool center, tennis center, and other sport recreation facilities either individually or grouped with related facilities, as appropriate. Such facilities to be located in new site(s) generally south of the spillway adjacent to Wilson Creek.
5. The construction of playground facilities for young children at a central location for use by campers, cabin guests and hotel guests.
6. The construction of a fishing deck (pier) adjacent to Campground A at the north end or along eastern side of lake.
7. The construction of a pedestrian bridge across the spillway to provide access to proposed recreation facilities along Wilson Creek south of the lake
8. The expansion and restoration of the existing small boat access and parking along the north-eastern side of the lake to accommodate a 30% increase in weekend use.
9. The expansion and restoration of the existing swimming beach and related facilities to accommodate a 50% increase in peak daily use.
10. The renovation of the amphitheater for the presentation of historical plays, slide shows, and weekly movies for park visitors.
11. The construction and improvement of a permanent facility for boy Scouts, Girl Scouts and other youth group users at the head of Stony Run in the southern portion of the park. Such a facility should include permanent kitchen, dining, bath, storage and office space. Tent platforms or other structures could also be constructed as necessary. Development of this facility will require vehicular access, electricity, water and sanitation.
12. Undergrounding or relocation of existing electrical transmission line which cuts through the central portion of the park.



Principal Land Use Proposals

- 1. Additional Cabins
- 2. Resort Hotel
- 3. Golf Course
- 4. Additional Recreation
- 5. Lake Improvements

DOUTHAT FEASIBILITY STUDY

Landscape Architecture Program
Virginia Tech

LODGE (Resort Hotel)

The resort hotel is programmed to be a first-class, luxury oriented lodging facility, offering the following types of appointments:

1. **Guest Rooms** 150-200 rooms
2. **Food and beverage facilities**
 - Coffee shop/cafe 125-150 seats
 - Hotel dining room 150-250 seats
 - Cocktail/entertainment lounge 90-110 seats
3. **Banquet and conference rooms (200 to 300 people)**
 - Banquet room 300 seat banquet style, subdivisible
 - Meeting rooms 5 rooms, seating from 25 to 50 each
4. **Retreat facility (50 to 100 people)**
 - Meeting spaces 4 to 6 meeting rooms or outdoor spaces
5. **Other amenities**
 - Swimming pool, "jacuzzi" outdoor pool spa, health club, gift and sundry shop, ground transportation, guest laundry and valet service.
6. **Parking facility**
 - Parking should be provided on the basis of one space per guest room plus one space per 50 sf of meeting area. Total parking will range between 200 and 400 spaces for the hotel complex

The resort hotel will either be a centralized use with all or most facilities located in a single site *or* a central service facility with dispersed use areas in several sites. For example, some guest and/or meeting rooms may be located in adjacent cabinet areas for greater flexibility in accommodation. Also certain recreation facilities may be located in areas somewhat removed from the central facility for greater compatibility. These facilities may or may not be part of the hotel management complex. The maximum capacity of the hotel will range between 600 and 750 people. The acreage requirements will vary from 8 to 15 acres.

GOLF COURSE

The golf course and clubhouse facility will contain approximately 5,000 sf exclusive of cart storage and open deck areas. Cart storage will be approximately 3,000 sf, either under the clubhouse and/or

separate facility. Open deck areas will be up to 1,200 sq. ft. Parking area for up to 150 cars will be necessary adjacent to or near the clubhouse facility. Transportation between hotel and clubhouse will be provided by a shuttle cart system.

CABINS

Approximately thirty cabins are proposed in selected areas adjacent to the lake. These rustic cabins will be one, two and three bedroom units with modest kitchen facilities. The cabins will be rented individually or in groups for larger gatherings related to the conference or retreat facilities.

SWIMMING POOL. A large swimming pool, youth wading pool and bath house will be located in a selected area adjacent to the lake. The pool will be a free standing facility open to all who visit the park.

TENNIS COURT

Four to six tennis courts will be provided adjacent to the golf course clubhouse.

PLAYGROUND FACILITY

This facility will include basketball courts, volleyball fields, outdoor play equipment, and indoor play areas for young children.

H. COST ESTIMATE AND PHASING

The preliminary estimate of development costs for the new land use program is listed below. Included in this listing are facilities, infrastructure and other improvements which may be necessary to accomplish the total development program. A minimum and maximum cost range is provided as a rough guide for phasing and as a rough guide for phasing and as an overall estimate of needed financial resources. Items are listed in order of estimated costs not by priority. A more detailed and accurate cost estimate will, of course, be developed as program items are more fully designed.

Program Item	minimum cost	maximum cost
Hotel Facility	6,000,000	8,000,000
Golf Course	2,500,000	3,000,000
Cabins	1,200,000	1,500,000
Swimming Center	420,000	450,000
Sewage System Improvement	285,000	305,000
Youth Campground	120,000	150,000
Tennis Courts	100,000	110,000
Water System Improvements	45,000	52,000
Playground Facility	40,000	50,000
Pedestrian Bridge	20,000	25,000
General Clearing/Cleanup	20,000	23,000
Fishing Pier	12,000	15,000
Road Improvements	10,000	12,000
Boat Access Improvements	9,000	11,000
Beach Improvements	9,000	11,000
Theater Renovation	5,000	7,000
Basketball Courts	4,500	5,000
Subtotal	10,799,500	13,726,000
Professional Services/Expenses	2,699,875	3,431,500
Grand Total	13,499,375	17,157,500

The new land use program would require phasing primarily because of the scope and scale of the total project. While notions of phasing are tentative at this time, it is helpful to establish some basic criteria for selecting various projects. Phasing should proceed with a strong, moderately sized project component. Phasing should be established over a 5 to 7-year period so that increments can be constructed during a construction season and not interrupt normal park use. The construction of major facilities, such as the resort hotel or golf course facility, should be phased for development later in the program.

The addition of more cabins appears to be a well known need and one which is moderate in scale and funding resource. The construction of cabins would be an excellent first phase.

Renovation of certain facilities and infrastructure improvement would be a logical second phase. The upgrading or development of certain recreation facilities, such as improvements to beach and boat areas, fishing pier and/or nature center would be an added asset at this phase. Much of this work should have been done years ago.

The resort hotel complex is a major undertaking and will require time to prepare plans and acquire the necessary support. The hotel complex may be internally phased, that is it may be constructed in self-supporting units of 75 to 80 rooms with retreat and/or conference facilities as later separate phases.

Ideally a hotel venture would prefer to have all major recreational and support infrastructure in place prior to development. Conversely other recreational facilities, such as the golf course and/or tennis center, would prefer to have the hotel in place prior to development to insure an adequate market.

Additional recreation facilities, such as the swimming pool center and playground facility, would probably be phased after other major improvements have been constructed.

This tentative phasing schedule allows for the orderly paced development of new facilities at Douthat with minimum disruption of the park. It also allows time to evaluate new components in the park and assess the quality of the recreational experience of visitors.

I. POSSIBLE FUNDING SOURCES

Funding is one of the most important issues to be faced in the process of planning for additional land uses within Douthat State Park. A number of different approaches to capital improvement funding and operating funds for state parks are briefly described in this section. Any, or possibly all, of these approaches may be required to put together sufficient financial resources to undertake the proposed land use program for Douthat. The development of a specific funding program will require additional study and consideration by the Virginia Legislature, the State Park system, and the people and institutions in the Allegheny Highlands.

The possible funding sources include:

General fund money

General obligation bonds

Revenue bonds

User fees

Dedicated revenues

Other innovative sources

GENERAL FUND MONEY The primary source of funding for most state parks is from general fund moneys. These funds are discretionary, being allocated annually through the state budgetary process and are subject to the priorities established in specific budget cycles. General fund moneys are usually allocated for operation needs rather than capital improvements. For example, in Virginia in 1986 88% of the operating budget and 36% of the capital budget was provided by general fund monies for State Parks and recreation.

GENERAL OBLIGATION BONDS: General obligation bonds are the most common form of revenue generation for the capital improvement of state parks. These bonds are backed by the credit of the state and tend to be relatively secure. Virginia has an excellent bond rating which would hopefully be reflected in a lower interest rate. Many states used this mechanism to finance land acquisition areas. For example New Jersey's 1983 Green Act Bond Issue raised \$135 million for

open space preservation, including state and local parklands. In the same year, Massachusetts passed the Open Space Bond Issue which raised \$158.6 million for conservation and recreation in the state.

REVENUE BONDS: Revenue bonds are guaranteed by proceeds generated by the activities supported by the bond. This approach requires projects which generate substantial revenue to systematically retire the bond. Revenue bonds have only been used by a handful of states for outdoor recreation. Nebraska is considering a plan to use revenue bonds to fund the development of attractions which will increase visitation and entrance fees. Possible projects within Douthat might include the construction of additional cabins or the course facility

USER FEES: User fees are generally used to help finance the operation of parks and recreation areas. These fees, including concessioner fees, typically do not generate large amounts because of the social concern with holding fees relatively low so that all residents of the state can have access to public parks. The trend in many states is to increase user fees for special recreational facilities, such as golf courses, tennis courts, or skiing facilities.

DEDICATED REVENUES: This special category of funding are revenues, often from diverse sources, which are earmarked for parks and/or recreation although they are not generated directly by park use. These dedicated revenues may be from lotteries, taxes on special items or luxuries, or as tax revenue generated as a mitigation for environmental damage.

For example, Pennsylvania has used a portion of its revenue from oil and gas leases for recreation and conservation since 1955. Michigan and Florida have also used these dedicated revenues for recreation. In 1988 Virginia attempted to pass legislation to establish an Open Space Recreation and Conservation Fund for state and local parks based upon revenue collected from the grantor and recordation taxes. Such a fund would have provided a steady and reliable source of revenue for recreation and conservation in this state

OTHER INNOVATIVE SOURCES: There are many other possible sources of revenue for parks and recreation. Just to mention a few would include gift programs to attract private and corporate

donations, partnerships with private groups to increase services to visitors, and a special park foundation, "Friends of Douthat" to help support capital development of alternative land uses.

Another source is direct investment by the private sector such as the development of the resort hotel or golf course and clubhouse facility. The possibilities of private interest in some type of venture at Douthat are real. Such a public/private partnership would require long term leases (20 to 25 years) and specified agreements (conditions) for the development and operation of these facilities. This approach has been used by West Virginia and other states with some success.

In conclusion, all sources of funding should be investigated as possible revenue sources for development at Douthat State Park. The more traditional approaches, such as general fund monies or bonds, probably will not generate sufficient funding to accomplish the development program as outlined in this report. The more innovative solutions, such as public/private partnerships or the establishment of "Friends of Douthat" may be fruitful options or avenues to further explore.

J. FUTURE PROSPECTS AND DIRECTIONS

This report concludes that it is feasible to develop alternative land use facilities in Douthat State park. Among these facilities are a resort hotel, conference/retreat center, a golf course, and other outdoor recreational facilities.

However, more detailed studies are needed to answer a number of outstanding questions and to make this project a reality. Further work should include a more detailed market analysis, funding strategies, investigation of public/private joint ventures, preliminary planning and detailed design.

