

Lake Sidney C. Lanier

A Study Of The Economic Impact Of R e c r e a t i o n

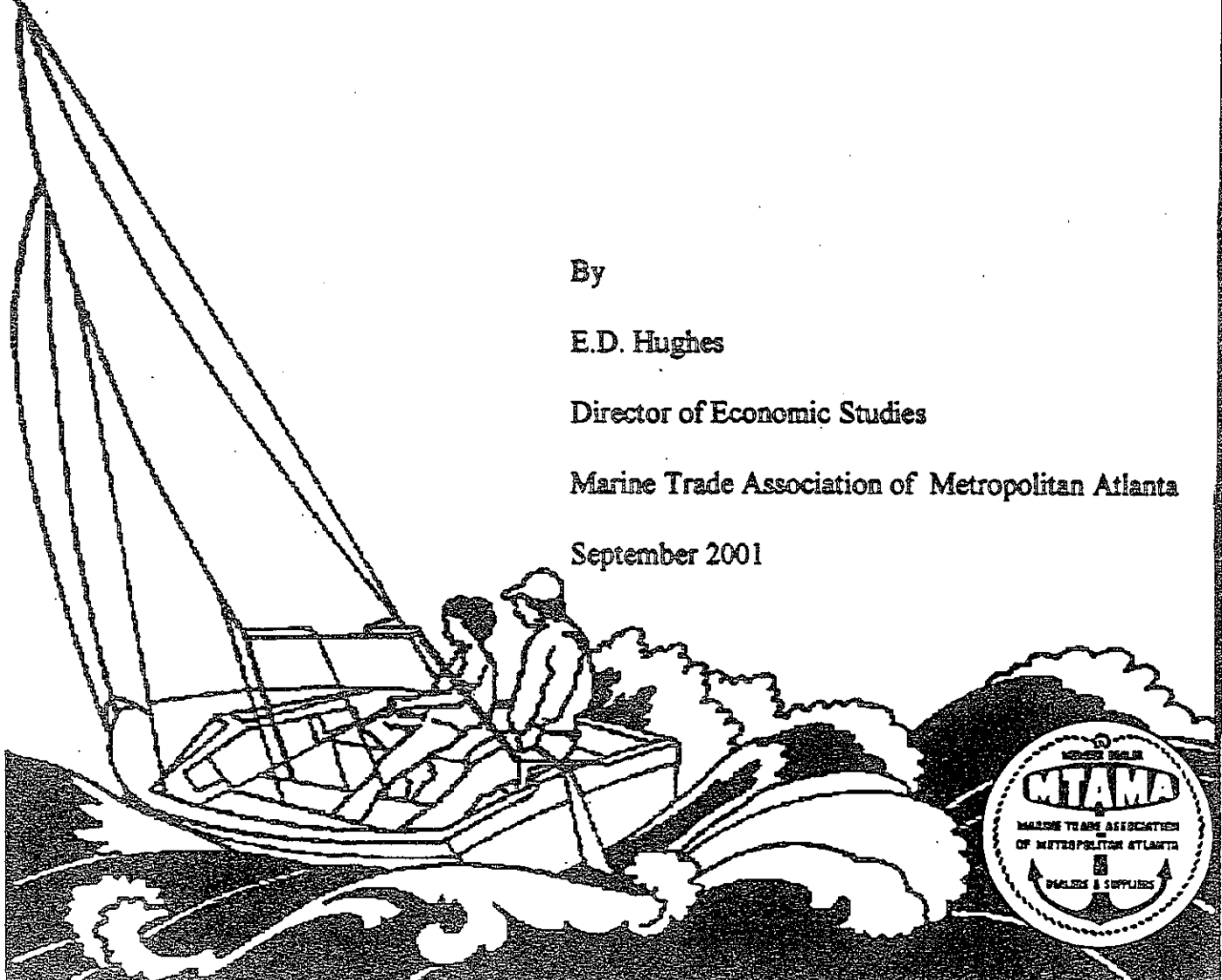
By

E.D. Hughes

Director of Economic Studies

Marine Trade Association of Metropolitan Atlanta

September 2001



GREATER HALL CHAMBER of COMMERCE

"From Islands to Highlands... We've Got it All!"

-Foreword-

Lake Sidney Lanier

A Study of the Economic Impact of Recreation

Lake Sidney Lanier celebrated its 50th Anniversary recently...and what a positive economic impact it has made on this region of Georgia. The majority of Lake Lanier's waters and shoreline bound Hall County...but it serves all of the Atlanta Metro North Georgia region (Lumpkin County to Atlanta) and South to the Gulf of Mexico. How appropriate we name this body of water after Sidney Lanier. Read his "*Song of the Chattahoochee*"...*Out of the Hills of Habersham, Down the valleys of Hall...* Lanier was a major American poet, a native Georgian.

The economic impact is over \$5 billion annually...recreation a predominant part of that number. Lake Lanier is the most visited Corps of Engineers lake in the Southeastern United States. With the tourism and recreation activities, the lake residences and other industrial uses of Lake Lanier's waters, come many challenges.

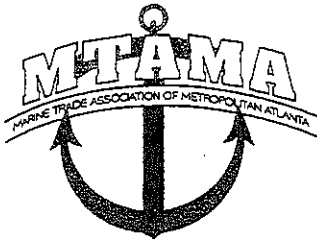
All of us who enjoy the benefits must work together as a region...to enhance the water quality and quantity of our precious resource...Lake Lanier. Most folks are very passionate in their feelings about Lake Lanier...we feel it belongs to us individually. Let's put aside our personal agendas and work together so future generations can enjoy these beautiful waters.

It has been my pleasure to read this study by the Marine Trade Association of Metropolitan Atlanta...I found it interesting and comprehensive. I congratulate Ed Hughes for providing this study to the public.



Kit Dunlap
President / CEO
Greater Hall Chamber of Commerce

September 2001



Marine Trade Association of Metropolitan Atlanta

August 28, 2001

Dear Ed;

Your report on The Economic Impact Of Recreation at Lake Sidney C. Lanier was the most thorough study I have ever read. The statistics are easy to understand and your sources are impeccable. This report will be a great resource for years to come.

Congratulations on a job well done.

Sincerely yours,

Charlie Knight
President
Marine Trade Association of Metropolitan Atlanta



MARINE TRADE ASSOCIATION OF METROPOLITAN ATLANTA

A-Maysing Services
Allatoona Landing and Marine Resort
American Boat Brokers
Ambush, Inc.
Aqualand Marina
Atlanta Dock, Inc.
Atlanta Marine
B&B Marine
B&W Boating
Bald Ridge Marina
Bass Pro Shops
Bay Marine
Bennetts Marine
Boating Atlanta
Boat / US
Boatland / Lighthouse Marine
Bolling Bridge Marine
Browns Bridge Boat Dock Co.
Browns Bridge Marine
Cartersville Marine
D&P Marine
Dalton Marine
Dream Marine
Ferguson - Poole
Forever Resorts
G.H. Martin Boathouse & Dock
Gainesville Marina
Georgia Marine
Grass Shack
Gwinnett Marine
H.D. Marine
Habersham Marina
Holiday Marina
Holiday Harbor
JOA Distributors
Knight Marine
Lakesports, Inc.
Lake Lanier Islands
Lake Lanier Lodges
Lan-Mar Marina
Lanier Publishing
Lanier Sailing Academy
Lazy Days Marina
Little River Marina
Lockwood Marine
Marine Consulting
Marine Service, Inc.
Marine Specialties, Inc.
North Atlanta Trade Center
Rocket Marine
Shaddix Marine
Southeast Yacht Services
Southern Sailing Center
Starboard Marina
Stovall Marine / Marine Max
Sunrise Cove Marina
TAL Marine
Travis Boating Center
Watersports Central

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G. H. Martin	G. H. Martin Docks

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Cover: Pat Marsh

A very special thank you to members of the Marine Trade Association of Metropolitan
Atlanta – Charlie Knight, President.

Executive Summary

This study was commissioned by the Marine Trade Association of Metropolitan Atlanta (MTAMA) on April 1, 2001.

The scope of this project is to identify a substantial number of financial indicators which will best illustrate the economic impact of the recreational resources provided to this area by Lake Lanier.

During the past five months, primary data was gathered from interviews with 173 individuals representing 57 organizations that have a vested interest in the Lake. Secondary data in the form of financial documentation was received from the MTAMA, U.S. Army Corps of Engineers, Georgia Department of Natural Resources, Georgia Mountains Regional Development Center, and other organizations of equal significance, represented herein. Since this report represents more of a thesis than an audit, an exact evaluation of the economic impact of the recreational resources of Lake Lanier could not be measured because of time constraints and resource limitations. However, an analysis of this data by members of the academic community, business leaders, and patriachs of the Lake confirmed that recreational resources complement the general economy of this region tremendously and directly enhance the quality of life immeasurably.

With the application of the 2.5 multiplier (a conservative estimate of the direct economic impact of recreational spending and investment in this area) complemented

by the indirect economic impact on the entire business community, a conservative figure of over 5.5 billion dollars was identified as the economic impact of recreational interests in Atlanta and North Georgia. The multiplier was not used on revenue received by city-county, state and federal organizations, nor was it used on the evaluation of fixed assets.

What is Economic Impact?

Economic impact begins when a resident or visitor to an area spends money in that area ---no matter what the reason. The benefits to local economy, however, go beyond the basic impact of the dollars spent in the area. These resident/visitor expenditures create a chain effect. The direct effects or impacts of these expenditures become evident as the recipients of these monies in turn pay wages, earn income, and pay taxes. Furthermore, these direct recipients spend their income thereby creating indirect impact for more jobs, wages, salaries, proprietary income and tax revenues. These direct and indirect effects together equal the total economic impact of all expenditures in the area.

Prior to presenting the Financial Appendix in support of the economic impact estimate, the following information is presented for the purpose of establishing a better perspective of this project and to guarantee quality assurance protocols with all organizations presently involved in the economics of recreation affecting Lake Lanier.

Purpose of Study

Historically, Lake Lanier has been an up-and-down lake with water levels taking huge swings, reaching incredible lows and returning to full pool in a few months.

It hasn't happened this time! The last time the Lake was at full pool, a level of 1,071 mean sea level ("MSL"), was June 30, 1998. We are in the fourth year of a major

drought, and Florida and Georgia have been hit especially hard.

The Lake Lanier area and its watershed, the region draining into the Chattahoochee and Chestatee river systems, has received less rainfall during the past year than the river systems south of Atlanta, to the Gulf of Mexico. To further compound this shortage, the inflow from small rivers, creeks and streams of North Georgia have been providing only 47% of the water needed to maintain a constant, consistent elevation of the Lake. The anticipation of filling the Lake with an external resource flow, at this time, does not meet existing conditions.

The following extreme conditions have developed during the past three years as the result of a rainfall deficit.

Boat sales are flat! Real estate sales for lake front property are flat! Hundreds of boat docks are setting in the mud and hundreds of others are hanging from the bank. In some instances, the lake water line is more than 75 feet beyond these docks.

On July 26, 2000, the water elevation of the Lake dropped below 1,064 MSL, almost eight feet below pool. At that level, the U.S. Army Corps of Engineers ("Corps") initiated phase one of "The Drought Management Action Plan". This plan requires the closing of a number of boat launch ramps, the moving of swim buoy safety lines, the marking of dangerously low water areas throughout the Lake and the suspension of approval of new private dock permits.

Prior to the Lake reaching the 1,064 MSL water level, private dock owners and marina operators initiated plans to move their docks to deeper waters. These moves are costly and labor intensive. There are 8,366 private docks on the Lake.

During the middle of the 2000 summer recreational season, boat sales and major lake recreational resources began to lose their attraction, slow down to a counter productive level, or STOP. The boat sales famine began in June 2000. Dealers were left with large inventories and the overhead operating costs were always present. The anticipation of a successful winter boat show in January 2001, did not materialize.

On January 3, 2001, The Atlanta Boat Show opened, and the Lake level was 1,055.81 MSL, more than 15 feet below full pool. Attendance at the Show was 22% below average, and the collective sales from each boat dealer was 50% below average. Follow-up sales attempts with prospective customers during the spring was only marginally productive. As of July 31, 2001, the average sales for the boat dealers in the Lake Lanier community were down 23-26% from the previous year.

There is a correlation between boat sales and other sales of recreational equipment in the Lake Lanier community. One major distributor of fishing tackle stated that his sales are down about 30% from the previous year.

Never before have we been confronted with a more serious challenge to our water

supply and sustainability of water as a resource. We are 20 years behind in our efforts to support and protect our waters, and now we have emerging outside voices attempting to control our water. Now, we find ourselves competing for this river of life with Alabama and Florida.

It is anticipated that the economic impact identified in this study will present an accurate evaluation of the value of our 38,000 acre playground. This study will also identify the magnitude of the investments the boat dealers, marina operators, and water sports community have in the recreational resources of Lake Lanier. At this time, these investors are not receiving a satisfactory return for their risk and hard labor. Worry is considered to be the heaviest load to carry for the business person.

Lake Lanier and its associated businesses are the region's largest employer, tourism attraction and executive recruiting tool. Doctors, lawyers and other professionals are attracted to the beauty of the Lake and the quality of life enjoyed in this community. The Lake is the engine that drives the economy in this area.

The annual visitor spending on and around Lake Lanier promotes our retail market, fills our sales tax coffers and fund our local school expansion. During the conduct of this study, the candor of those interviewed disclosed a direct correlation with Lake levels and visitor spending. Extended members of the recreational community have suffered a decrease in revenue during the summer season. This extended community includes convenience stores, restaurants near to the Lake, fishing tackle stores, etc.

Atlanta has been the largest inland sales market for boats in the United States. No other major metropolitan market of four million people has as large a body of fresh water for recreational purposes as we do. So, here we have a regional water reservoir with 38,000 surface acres and 544 miles of shoreline. 3.3 million acre feet of storage capacity, but we find ourselves in a water quandary. Of the 13 lakes in the Chattahoochee water basin, 65% of the total storage capacity is in Lake Lanier.

Since the headwaters of the Chattahoochee River mark the northern most reaches of the Apalachicola - Chattahoochee - Flint River basin ("ACF") and the major stream regulation in the basin is provided by Lake Lanier, the Lake is of critical importance to the water resource needs of North Georgia, as well as the entire basin.

Over 60% of the total population within the ACF basin is dependent upon water supplied by Lake Lanier. Before reaching Apalachicola Bay, at the Gulf in Florida, a distance of 434 miles, this water passes through eight hydropower generators and 13 dams.

Lake Lanier also provides a major portion of water for four large impoundments in the basin: Lake West Point, Walter F. George, George W. Andrews, and Seminole. All are multipurpose reservoirs which provide water supply, flood control, recreation, fish and wildlife enhancement, hydropower, navigation, and irrigation.

Contributors for this segment: Frank Norton, Jr., Jean Ferris, Susan McClendon,

The Norton Agency, Pat Taylor, Ed Burkett, Corps of Engineers, Mark Lusink, Charlie Knight,
MTAMA, Matt Sena, U. S. Weather Bureau and Marine Retail Association of America,
Chicago, Ill.

Structure and Format

For purposes of presenting this study at the very highest level of integrity, the most knowledgeable sources of information were selected for interviews. The documentation provided by these individuals is also the most current, well-researched material available.

To support this format of credibility, the source of the information and individuals providing this data are named at the end of each segment.

Because of unquantifiable boundaries where millions of individuals are buying goods and services from thousands of businesses in North Georgia, and then using the recreational resources of Lake Lanier, we use an empirical formula guided by practical experience in identifying a ratio or realistic estimates of purchases. This is especially applicable in identifying an increase in seasonal purchases of beverages, fuel, snack foods and other picnic items from convenience stores, fast food restaurants, etc.

We will not include the formidable number of 1.557 billion dollars expended by tourists in our 10 county area, and reported by the Department of Industry, Trade and Tourism. We feel most of these expenditures are included in other segments of this

study and we try as best we can to avoid duplication of numbers.

Several “items of interest” are mentioned in this study. These expenditures are not included in the totals. They are so marked.

Where Does the Water Go?

The most controversial, and least understood, issue involving Lake Lanier is the release and withdrawal of water. Who is to blame and why is it being done? It is intended that this segment present matters of fact which provide a better understanding of the management principles, and integrity applied, in the release and withdrawal of water.

The Corp of Engineers is responsible for the management of the Lake. Therefore, they receive the blame for just about everything that is considered to be an unnatural happening on and around the Lake. This is especially true when Lake levels are unseasonably low, as they have been since July of 2000.

Lake Lanier operations are guided by a “Master Systems Management Plan”. Every lake operated and managed by the Corps follows the exact same procedures, and the same set of values, needs and principles. At the present time, the “Drought Management Action Plan” is in effect because the water elevation is below 1,064 MSL. As mentioned in the first segment, the inflow is 47% of what is needed to maintain a constant, consistent water level. Filling the Lake under these conditions is not feasible.

In order to describe some of the demands and conditions under which the Lake is managed, the following facts and circumstances are presented.

The city-county water systems of Clarkesville, White County, and Cornelia withdraw from small rivers and tributaries which ultimately drain into the Chattahoochee River.

The cities of Demorest/ Baldwin withdraw from the Chattahoochee.

The cities of Gainesville, Cumming, Buford and Gwinnett County withdraw from Lake Lanier. Gwinnett then sells a quantity of water to Rockdale County, which is out of the ACF basin. None of that water is returned. The combined withdrawal for the above mentioned cities and counties is more than 220 million gallons per day ("MGD").

Drinking Water Intakes on Lake Lanier

NAME	COUNTY	SOURCE	WITHDRAWL
City of Clarkesville	Habersham	Soque River	?
White County Water & Sewer	White	Turner Creek Pump Station	?
City of Cornelia	Habersham	Hazel Creek	?
City of Cornelia	Habersham	Camp Creek #2	?
City of Dahlonega	Lumpkin	Yahoola Creek Dam	1.5 MGD
City of Demorest/Baldwin	Habersham	Chattahoochee River	?
City of Cornelia	Habersham	Camp Creek #1	3.5 MGD
City of Gainesville	Hall	Lake Lanier (Chattahoochee River)	25 MGD
City of Cumming	Forsyth	Lake Lanier	38 MGD
City of Buford	Hall	Lake Lanier (Big Creek Pump Station)	2.0 MGD (2.5 but not exceed averaged 2.0 per month) **
Gwinnett County Public Utilities	Hall	Lake Lanier	150 MGD (Monthly Average)
Total			220 MGD

At the present time, Gwinnett County has a permit application on file with the State EPD to increase their withdrawals by 75 million gallons per day. This is needed to supplement the increased demand for water by the Mall of Georgia business community and the planned complex near State Route 316 and I-85. Also, in addition to the above withdrawals, 131.54 million gallons per day are withdrawn from Lake Lanier for industrial use. Buford Dam is required to release an average of 648 million gallons each day to meet the flow demand of 750 cubic feet per second ("CFS") at the Peachtree Creek water gauge above Atlanta. Prior to measuring this water at Peachtree Creek, a large portion of clean, cold water is removed at the Department of Natural Resources ("DNR") Trout-Fish Hatchery, between the dam and the City of Buford. The total demand of withdrawals and releases is 999.54 MGD.

The water passing Peachtree Creek is a multi-purpose flow. It provides hundreds of millions of gallons to the City of Atlanta system as well as a number of cities and counties in the metropolitan area. Four million people use this water.

The population of Metropolitan Atlanta has expanded 400% since the Lake was filled in 1957. The United States is one of the few countries in Western Civilization that uses drinking water to wash cars, water lawns and gardens, mix concrete, and fill swimming pools and toilets. We have established our standards of living based on an unlimited supply of clean water.

The water which flows beyond Peachtree Creek also serves to dilute the sewage over-

flow from the antiquated sewer system of Atlanta, and to neutralize the effluent (i.e., run off) from streets, parking lots, fertilized lawns, golf courses, etc. This wastewater and effluent continues south with the run of the river through small cities to Lake West Point. At the mouth, or northern most part of the lake, a eutrophic body of water may form which indicates that there is an increase of mineral and organic nutrients that has caused the reduction of dissolved oxygen, producing an environment that favors plant over animal life.

The effluent and wastewater from the Atlanta system is diluted as it moves into the main body of the lake and it then becomes suitable for recreation. The health of the stream flow has returned as it continues its journey to the Gulf of Mexico.

During the summer months, billions of gallons of water are lost from Lake Lanier to what is described as PAN evaporation. This occurs when the sun shines on the Lake, accompanied by a breeze or high wind from the mountains, and the dry air absorbs moisture quickly and more water is lost. On a ninety degree day, 1.034 billion gallons are lost from the entire 38,000 acre Lake; however, the actual daily loss is slightly less due to the fact that only 30,000 acres are present at the current water level of 1,062+- feet.

Other losses occur when pumps are installed on private docks to water lawns, flowers and gardens. Also, dry soil around the shore line absorbs water and returns it to the aquifer.

Another hot button issue is the release of water for navigational windows for use in the lower basin. Three feet was released in April of 2000 to float 10 barges to Bainbridge, Georgia, Dothan, Alabama and Columbus, Georgia. Agriculture commodities were transported to the first two locations and aviation fuel was transported to Columbus. Low rainfall did not allow the return of the water removed, and that three foot deficit is conspicuous at this time. This deficit cannot be repurchased.

As a matter of interest, the Congress approved navigation on the lower basin with the passage of the "Safe Harbors Act" in 1946. The act was incorporated as a national defense mechanism in the event transportation of heavy equipment is required from Fort Benning, which is on the river. On July 18, 2001, the Congress approved a nine million dollar budget to provide for continued dredging in the lower basin.

Hydropower production is also a controversial and misunderstood issue. You will remember that water releases are required to maintain the 750 cubic foot flow. Therefore, it is logical to run this water through the generators when releases are made.

The staff at the Corps management facility at Buford Dam receive a "Water Release Schedule" from the Mobile District every Friday at 2:00PM. This schedule identifies the water releases for the following week. All water releases are initiated from the Mobile District by microwave to Carters Lake and then transmitted to a microwave receiver at Buford Dam to switch the generators to full production. The Corps office at

Buford Dam does not activate any water release mechanisms at the Dam. As mentioned, they are notified by the decision makers. (As a matter of fact, the last two water releases for navigation windows were ordered from Corps headquarters in Washington, D.C.)

Without including evaporation, this segment of our study has accounted for approximately 1,000 million gallons of water removed from Lake Lanier. Considering that the inflow represents approximately 47% of the amount needed each day, the reason Lake Lanier water levels are so low is readily apparent.

Contributors to this segment: Ben Hulsey, Larry Sparks (Georgia Mountain Regional Development Center) Ed Burkett, Erwin Topper, Pat Taylor, John Watson, Corps of Engineers, Nap Caldwell, Ade Obe, Georgia EPD, Jackie Joseph, Ron Seder, Lake Lanier Association, Native Intelligence 2001, Jean Ferris, Susan McClendon, The Norton Agency.

Financial Appendix

Corps of Engineers (FY 1999)

(Monies Received)

Revenue Commission	\$18,347,487
Public Marinas	\$686,087
Private Clubs	\$207,420
Visitor Expenditures	\$222,000,000
Per Annum Dock Permits	\$108,758

Fixed Assets \$50,000,000

Lakeside Restaurants

Revenue	\$2,120,000
Fixed Assets	\$1,530,000

Marinas (2000)

Public (ten)	\$30,000,000
Private (six)	\$3,100,000
Dry Stack (four)	\$2,600,000
Total Boat On Trailer Storage (2000)	\$28,090,000

Marine Sales -Atlanta Metro - North Georgia (2000)

Boat- Motor-Trailer Dealers	\$713,962,500
Fixed Assets – Marine Dealers	\$43,050,000
Marine Equipment and Accessories	\$14,000,000

<u>Fishing Tackle Equipment and Accessories - Atlanta-North Georgia</u>	\$125,000,000
<u>Lakeside Real Estate</u>	\$4,074,000,000
<u>Dock Manufacturers and Dock Repair Facilities (2000)</u>	
Combined Gross Income	
Manufacturers (12)	\$4,320,000
Combined Gross Income	
Repair facilities (13)	\$2,600,000
Fixed assets (Private Docks)	\$125,490,000
<u>Marine Insurance (2000)</u>	
Boats, motors, and trailers	\$28,752,434
Dwelling Insurance 14,000 homes X \$879.00	\$12,306,000
(Note: Premium for Value Added Assessment for each dwelling is \$291,000)	
<u>Department of Natural Resources</u>	
DNR Law Enforcement Budget	
Lake Lanier (2000)	\$408,032
Wildlife Resources	\$ 53,737
Buford Fish Hatchery	\$413,514
Boat Registration	
10 Counties (2000)	\$587,784
Fishing License	
10 Counties (2000)	\$521,847

<u>Boat - Marine Equipment (2000)</u>	
Valuations (10 counties) **Not in total**	\$245,983,976
Ad Valorem Taxes Collected (10 counties) – Marine Equipment	\$2,459,840
Cost per county to administer ad valorem taxes (Average - 40K, per county)	\$400,000
Boat trailer license fees (10 counties)	\$470,112
<u>Hall County Recreation and Parks (2000)</u>	
Rent and User Fee	\$352,000
<u>Lake Lanier Rowing Club</u>	\$4,008,517
<u>Bass Tournaments (2000)</u>	\$1,168,850
<u>Bell South Yellow Pages</u>	\$483,000
<u>Lake Lanier Association (2000)</u>	IRS 501.C.3
Total	\$5,513,597,919

Note: A preceding study, conducted in 1994, used financial information from 14 counties to calculate the economic impact of recreation on Lake Lanier. Four of those counties (Bartow, Cherokee, DeKalb and Fulton) are omitted from this analysis. The ten counties surveyed for this 2001 study are more closely associated with the recreational resources of Lake Lanier. The ten counties are Banks, Barrow, Dawson, Forsyth, Gwinnett, Habersham, Hall, Jackson, Lumpkin, and White.

Unique Characteristics of Lake Lanier

- During the past 44 years, Lake Lanier has provided a variety of recreational activities for hundreds of millions of visitors. The combination of recreational facilities, panoramic beauty, climate, and proximity to Atlanta has attracted more visitors to this 38,000 acre lake than to any other U.S. Army Corps of Engineers project, in the southeastern United States.
- Lake Lanier stores 1,049,400 acre feet of clean, fresh, deep water at a pool level of 1,071 feet above sea level. (As a matter of interest, an acre foot is the volume of water that will cover an area of one acre to a depth of one foot. There are 43,560 cubic feet of water in an acre foot, representing 325,828 gallons.)
- Sixty percent of the total population within the ACF basin is dependant upon water supplied from Lake Lanier. Before reaching Apalachicola Bay, Florida, a distance of 434 miles, this water passes through eight hydropower generators and thirteen dams.
- Atlanta, Georgia, and Calgary, Canada, are the only cities in the world with metropolitan populations of more than two million that have a trout stream running through them. Trout living in the reaches of the Chattahoochee thrive on the periodic releases of cold clean water from Lake Lanier.
- There are more than 23 ,076 boats moored or dry-stored on and around the lake. Ten public marinas, six private club marinas, 32 community docks with 1,000 slips, and four

major dry-stack storage facilities provide storage for 17,232 boats. There are 14,066 wet slips and 3,166 dry-stack storage racks. More than 3,783 boats are stored on trailers at marinas around the lake.

- As of July 28, 2001, there were 8,366 private dock permits issued to individuals around the 544-mile shoreline. Each private dock averages 1.6 boats.

- In 2000, more than 22 million visitor days were recorded by the Corps of Engineers. (A visitor day is recorded when an individual spends more than four hours for recreational or leisure purposes.) An average of 600,000 people visit Lake Lanier on Memorial Day weekend, the largest visitor holiday.

- A major resort, the Lake Lanier Islands Resort complex, is located in the middle of the Lake.

- The highest Lake water level recorded was 1077 on April 1, 1964.

- Since 1959, the lowest water level recorded was 1052.66 on December 24, 1981.

Information for this segment was provided by: the Corps of Engineers, The D.N.R., and the Lake Lanier Association.

U.S. Army Corps Of Engineers

The U. S. Army Corps of Engineers, hereinafter referred to as the Corps, is responsible

for the management of the lake. The resource manager has a staff of 43 rangers and administrators at its facility adjacent to Buford Dam. Lake Lanier is aligned within the Corps Mobile District, and it represents the most active recreational project within the system.

Interviews with Erwin Topper, Resource Manager, and with members of his staff revealed that 67% of their time and resources is devoted toward recreation.

A review of records for calendar year 2000 disclosed that marina concessionaires received \$18,347,487 in revenue from public and private facilities around the Lake. Rent paid by public marinas was \$686,087 and \$207,420 was collected from six private clubs. Fixed assets for these public marinas represent \$50 million.

As of July 28, 2001, the following breakdown of facilities is identified as follows:

Docks	Wet	Dry	Total
Marinas	6,204	3,078	9,282
Clubs	817	276	1,093
Private	8,366	-0-	8,366
Totals	15,387	3,354	18,741

There are 32 community boat docks with over 1,000 slips. There are 48 boat launching ramps around the 544 mile shoreline. Seventy-five percent of the revenue collected by the Corps is repaid to the respective counties where the facilities are located.

Contributors to this segment: Erwin Topper, Pat Taylor, John Watson, Corps of Engineers.

Lakeside Restaurants

The following listed restaurants and snack bars are located on the Lake Lanier Islands complex, the first perimeter of the Lake or on roadways in the immediate vicinity of the Lake. They represent, as a group, a tremendous economic impact to this area. Hundreds of individuals are employed in these businesses and the combination of revenue, payroll, purchases of fixed assets compliment the multiplier principle or direct and indirect economic impact.

These restaurants and snack bars are as follows:

- Three restaurants located in the Renaissance Hotel & Conference Center (part of Lake Lanier Islands Resort)
- Three restaurants located in the Emerald Point Complex (part of Lake Lanier Islands Resort)
- Golden Parkway Restaurants
- Ole McDonalds
- The Fish House
- Anthony's
- Bald Ridge Deli and Snack Bar
- Lanier Harbor Restaurant
- Dock Holliday's at Holiday Marina
- Up the Creek Café
- Big Creek Restaurant
- The Deli at Gainesville Marina

- Aqua Land Deli and Sandwich Shop.

Fixed assets of some of these establishments are included in marina complexes and hotels. However, we were able to isolate the following figures through interviews and a conservative empirical resource method. Revenues of \$2.12 million were identified. Fixed assets not included elsewhere total \$1.53 million.

Contributors to this segment: Barkley Geib, Ray Williams, Philip Burton, and Jackie Joseph.

Comprehensive Spending Profile (WES)

In February 1992, the most recent study, Corps completed a three-year study which identified "Spending Profiles for Recreation Visitors to Corps of Engineers Projects." This study was commissioned by their Environmental Laboratory, Waterways Experiment Station (WES), Vicksburg, Mississippi.

The results of the February 1992 study were used as part of a process of assessing the economic impact of recreational opportunities at all Corps projects. This spending profile was designed to include visitor expenditures for both trip and durable goods. Trip spending is identified as monies exchanged for goods and services consumed during a single trip; e.g., food, lodging, day rentals, etc. Durable goods are used for multiple trips; e.g., personal water craft, water toys, inflatables, camping gear, campers, etc.

Day users account for 94% of the visitors and spend an average of \$63.00 per trip. Camping parties spend \$270 per trip. Camper spending is divided into the following proportions:

Food and beverage	32%
Auto/transportation	22 %
Lodging	13%
Boating	13%
Miscellaneous	20%

Documented spending profiles are as follows:

Resident day users who boat	\$75.00
Resident day users who do not boat	\$104.00
Non-resident campers who boat	\$334.00
Non-resident campers who do not boat	\$300.00
Non-resident overnight users who do not boat	\$362.00
Non-resident overnight users who do boat	\$537.00

Resident day users not boating spend more monies on rentals (houseboat, personal watercraft, water toys, excursions, etc.). Because their trips are more infrequent, they tend to splurge for the occasion. Non-resident overnight visitors who boat incur the added expense of boating operations as well as lodging.

One of the most impressive expenditures included in this study indicated that visitors to Lake Lanier spent \$222,000,000 during calendar year 1989 and 80% of this amount was expended in the local area.

Contributors: Erwin Topper, Pat Taylor, John Watson, Scott Jackson, The Corps.

Documentation for this spending profile is found on Pages 1 and 2, Section 3 in "A Summary of Spending Profiles for Recreation Visitors to Corps of Engineer Projects," dated February 1992, C.O.E. Waterways Experiment Station, Vicksburg, Mississippi 19180-6199.

Lake Lanier Seasonal Water Levels and Boater Trips Value Functions

Water Levels	Winter Visits	Spring Visits	Summer Visits	Fall Visits
1051	0	0	0	0
1052	5253	10272	15926	5093
1053	10506	20544	31852	10186
1054	15759	30817	47778	15279
1055	21013	41089	63704	20371
1056	26266	51361	79630	25464
1057	31519	61633	95556	30557
1058	36772	71906	111482	35650
1059	42025	82178	127408	40743
1060	47278	92450	143334	45836
1061	52531	102722	159259	50929
1062	57784	112995	175185	56022
1063	66460	129960	201488	64433
1064	75136	146925	227791	72844
1065	83812	163890	254093	81255
1066	92488	180855	280396	89666
1067	106637	208523	387635	123960
1068	120786	236191	494874	158253
1069	134935	263859	494874	158253
1070	149084	291526	494874	158253
1071	163233	319194	494874	158253
1072	163233	319194	494874	158253
1073	163233	319194	494874	158253
1074	163233	319194	494874	158253

Marinas

As mentioned earlier, there are ten public marinas and six private club marinas located on the lake. These facilities provide wet slips for 15,387 boats. The following is a list of these marinas:

Public Facilities

Aqualand Marina

P.O. Box 1200
Flowery Branch, GA 30542
Attn: Kirby Scheimann
Phone: 967-6811
Fax: 967-0855

Bald Ridge Marina

P.O. Box 836
Cumming, GA 30501
Attn: Jon Stovall, Manager
Phone: 887-5309
Fax: 887-3220

Gainesville Marina

2145 Dawsonville Highway
Gainesville, GA 30501
Attn: Phillip Burton, Manager
Phone: 536-2171
Fax: 534-2678

Habersham Marina

2200 Habersham Road
Cumming, GA 30131
Attn: Kenny Haddock, Manager
Phone: 887-3107
Fax: 887-3120

Holiday on Lake Lanier

6900 Holiday Road
Buford, GA 30518
Attn: Phil Barnhorst, Manager
Phone: 945-7201
Fax: 945-0857

Lan-Mar Marina

9200 Lan-Mar Road
Gainesville, GA 30506
Attn: Bram Frankel, Vice President
Phone: 887-5715
Fax: same as phone number

Lanier Harbor Marina

2110 Pinetree Drive
Buford, GA 30518
Attn: Barkley Geib, Mgr.
Phone: 945-2884
Fax: 945-0052

Lazy Days Marina

6700 Holiday Road
Buford, GA 30518
Attn: Bill Sommerfield, VP or
Bill Brewster, Manager
Phone: 945-1991
Fax: 271-7032

Starboard Marina

P.O. Box 60
Mitchell Street
Flowery Branch, GA 30542
Attn: Jim Milner President/CEO or
Randy Crowe, VP/General/Manager
Phone: 967-6231
Fax: 967-9479

Sunrise Cove Marina

5725 Flat Creek Road
Gainesville, GA 30504
Attn: Janice Wagner, Manager
Phone: 536-8599
Fax: 532-7667

Private Clubs Sites

Note: All (770) area codes except Athens

American Legion: Leonard Hayes, Commander

Athens Boat Club: Jerry Blair, Mgr: 706-216-2256

Atlanta Athletic Yacht Club: Call Tuesd. thru Sun., Vinny Longo, Mgr: 967-6611

Chattahoochee Country Club: Bill Campbell, Mgr: 536-4461

Georgia Lockheed Employees Rec Club: Bobby Saxon, Mgr, 887-2161

Lake Lanier Sailing Club: Rick Sevmore, Mgr: 967-6441

University Yacht Club: Call Tuesdays thru Sundays , Jeff Giddens, Mgr: 967-2814

*There are four major dry-stack facilities within this dual function grouping. These four provide storage racks for 3, 354 boats.

**Predominant storage for 450 combination boat-trailer (covered) facilities.

Combined gross revenue from ten public marinas per annum estimated total is \$30 million. Combined gross revenues from six private club marinas per annum is estimated to be \$3.1 million.

Combined gross revenue from four dry-stack marinas per annum is estimated to be \$2.60 million. Dry-stack revenue percentages are identified by category as follows:

Storage	83%
Fuel	10%

Sub-leases	6.5%
Other	0.5%

Combined gross revenue from 73 off-site boat on trailer storage is \$12,500,000.

Contributions to this segment: MTAMA members Doug Beachem, Philip Burton, Bill Sommerfield, Barkley Geib, and Jon Stovall.

Off-Site Privately Owned Boat-Trailer Storage Facilities

There are an estimated 73 off-site storage facilities within a three-mile perimeter of the lake. These facilities provide an occupancy range of 25 to 450 on-trailer storage slips.

Several of the larger facilities are as follows:

Bud Ray
 Guler Marine
 H & H
 Hammond's
 Lanier Harbor
 R & G Marine Collectibles
 Robert Young
 Vanns Tavern

Total combined revenue from boat and trailer storage for the eight facilities is estimated to be \$15,590,000.

Contributors to this segment: Barkley Geib, Jack Jones, Jim Guler, Tom Hammond, and Rodney and Gina at R&G Marine.

Marine Sales

The Atlanta metropolitan area and 10 counties of North Georgia are recognized by the Marine Manufacturers Association of America and by the Marine Retail Association of America as the largest inland marine product sales market in the United States. (The 10 counties are named later in this report.)

Marine sales in the Atlanta-North Georgia area by MTAMA members represent \$713,962,500. These dealers employ over 350 people and purchase watercraft from 76 boat and personal watercraft manufacturers. Four of the largest engine manufacturers have production or major marine distribution and training facilities in north Georgia. Fixed assets for these dealers is listed at \$43,050,000.

Major marine equipment stores in the 10 county area are comprised of West Marine, Boaters World, Benrock and Southern Marine. Combined gross revenue for these stores is \$14 million.

Contributors to this segment: MTAMA members Charlie Knight, Philip Burton, Mark Lusink, Barkley Geib.

Fishing Tackle Equipment and Accessories

Information was provided by manufacturers' representatives, Fishing Tackle Retailer Publications, and wholesalers of marine equipment.

An estimated revenue of \$125 million is expended for fishing tackle and equipment in Atlanta and this 10 county area. These figures combined from the gross sales of a group of retailers (Sports Authority, K-Mart, Wal-Mart, and Bass Pro Shops) and independent retail fishing equipment centers (Hammond's Fishing Center and Satterfield's).

Sales from catalog retailers (Bass Pro Shops, Cabela's, Gander Mountain, Overton's, Orvis, Outer Banks, West Marine, and Boaters World) are not included in this sales equation.

The Atlanta area is as dominant in tackle equipment sales as it is in the inland sales of watercraft and accessories. It is considered to be a mecca for water sports because of its geographical relationship to Lake Lanier and the recreational resources it provides.

Contributions to this segment: Scot Rogers, Betty Busher, Rogers Southeast Associates, Joyce & Matthew Wilbanks, Satterfields, John Overton, West Marine, Don Robinson, Hammonds, Cliff Craft, Browns Bridge Marine.

Dock Manufacturers and Repair Facilities

There are 12 dock manufacturers and 13 dock repair facilities located around the lake.

On July 28, 2001 there were 8,366 privately owned dock-in-use permits issued by the Corps to individuals around the lake. The average sales price of the docks was \$15,000. The valuation of these docks is \$125,490,000. The average sales figure for dock manufacturers per annum is \$360,000, which represents a combined gross sales figure of \$4,320,000. The average annual income for dock repair facilities is \$200,000. The gross combined revenue produced is \$2,600,000. These dock manufacturing and repair facilities employ 91 people. Permits for 8,366 docks average \$65.00 for a five-year lease agreement (an average of \$13.00 per year). The per annum revenue received by the Corps for this particular source group is \$108,758.

Contributions to this segment: The Corps, MTAMA members Nick Martin and Davis Weaver.

Marine Insurance

There are 48,982 boats and marine vehicles (e.g., Jet Ski) in the 10 county area named in this study. Three examples were used to establish an average insurance Premium:

	<u>Premium</u>
2001 Somerset House Boat	\$1,194.00
2001 Tracker 25' Pontoon Boat	\$ 156.00
2001 Ranger Bass Boat (200 HP)	\$ 413.00
Total	\$1,763.00
Average	\$ 587.00
Total Premium 48,982 X \$587	\$28,752,434

Contributor to this segment: Bill Bennett, Allstate Insurance.

Insurance-Dwelling on Lake Lanier

Added value Assessment	\$291,000
Premium (Based on \$300,000)	\$879.00
Total Premium 14,000 X \$879.00	\$12,306,000

Contributor to this segment: Bill Bennett.

Boat Trailer License - D.M.V.

Of the 48,982 watercraft registered in the 10 counties named in this study, 80% or approximately 39,176 are on trailers. The license fee for these trailers is \$12 (39,176 x \$12 = \$470,112). Ad valorem tax information was not available.

Contributors to the segment: David Laws, Cliff Craft, other MTAMA members, and Georgia D.M.V.

Department of Natural Resources

The Gainesville Region of the DNR has a staff of 33 Rangers. Nine of these Rangers are assigned full time to law enforcement on Lake Lanier. During holidays, the enforcement Staff may be increased to 16 Rangers. They are assigned 10 performance boats. Their budget for 2000 was \$408,032.00. The Gainesville Region issued 5,988 criminal citations. There were 42 citations for Boating Under the Influence ("BUI"), 72 boating accidents and three drowning incidents.

Contributors to this segment: Captain Terry Lovell, Sergeant David Cochran and Candy Pirkle.

Lonica C. Barrett, Commissioner
David Waller, Director

Georgia Department of Natural Resources

Wildlife Resources Division

Fisheries Management Section
2150 Dawsonville Hwy., Gainesville, GA 30501
(770) 535-5498; FAX (770) 535-5953

August 17, 2001

Mr. Ed Hughes
Marine Trade Association of Metropolitan Atlanta
3197 Arrowhead Drive
Gainesville, Georgia 30506

Dear Mr. Hughes:

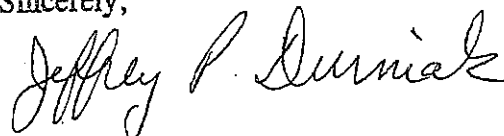
This brief note is in response to your request for information on Fisheries Section expenditures related to Lake Lanier. I understand that you have a very short deadline (today at 2 PM) to your publisher, so I have tried to compile some data very quickly to meet your needs.

I estimated that about 25% of my Gainesville biologist/technician team's time and operating costs are associated with Lake Lanier issues. About 10% of the time spent by my secretary and me are dedicated to Lanier issues. Given those allocations, we spent \$53,737 in Fiscal Year 2000 on Lake Lanier management and public information efforts.

Buford State Trout Hatchery in Cumming, Georgia is dependent on the cold water releases from Lake Lanier to grow trout for our statewide stocking program. In Fiscal Year 2000 the facility stocked 502,807 trout into northeast Georgia waters and cost \$413,514 to operate. Of the total trout stocked, 305,247 fish were released into the Lake Lanier Tailwater below Buford Dam.

Hopefully this information will give you a good "ball park" estimate of Fisheries program expenditures associated with Lake Lanier. If you have any questions, feel free to contact me.

Sincerely,



Jeffrey P. Durniak
Regional Fisheries Supervisor

cc: Charles Coomer, Chief of Fisheries

Georgia Department of Industry, Trade, and Tourism

During the 2000 calendar year, tourist expenditures in Georgia were \$16,211,051,376. The ten counties included in this particular segment are Banks, Barrow, Dawson, Forsyth, Gwinnett, Habersham, Hall, Jackson, Lumpkin, and White. The tourist dollars spent in these counties are recorded at \$1,557,668,860.

The breakdown is as follows:

Lodging	16%	\$249,227,021
Shopping	30%	\$467,300,644
Food	29%	\$451,723,975
Recreation	15%	\$233,650,332
Transportation	10%	\$155,766,888

These totals are included as a matter of interest, and are not included in the total figures for this study as every effort has been made to avoid duplication. The survey produced by the Corps and located in the Corp's section showed that \$222,000,000 was spent in this area; this figure is included in the total.

Contributors to this segment were Bryan Cummins, Cheryl Smith, Georgia Department of Industry, Tourism and Trade.

Lakeside Real Estate

There are more than 14,000 houses located on the first perimeter of the 544 mile shoreline of Lake Lanier. The average valuation of these homes is \$425,000. The

average valuation of Hall County homes that are not located on the Lake is \$134,000. The difference in these two valuations is \$291,000, which represents the value added assessment of Lake property.

This figure is presented as follows: $14,000 \times \$291,000 = \4.074 billion.

The \$4.074 billion dollar figure represents the largest purchasing expenditure group on the Lake. These purchases are directly related to the economic impact of recreation on the Lake. Each house was purchased as the result of its proximity to the recreational resources provided by the Lake.

Another interesting factor related to the occupants of these houses is, as a group, they represent the largest purchasing body of boats and marine products, durable goods, recreational items, docks, home improvement materials and accessories. It is impossible to accurately identify these expenditures, but they are estimated to be in the tens of millions of dollars per annum.

Contributors to this segment: Frank Norton, Frank Norton, Jr., Jean Ferris, Susan McClendon, Tommy Howard, The Norton Agency, Jerry Wyatt, Sun Home Builders LTD, Talmedge Scroggs, J&G Grading, Dennis Hollifield, Century South Bank.

Boat Registration

As mentioned previously, 48,982 watercraft are registered in the 10 counties included in

this study. Using a conservative figure of \$36 registration fee per unit for a three-year period, the following example of \$12 per year multiplied by these units equal \$587,784 per annum.

Fishing License

For this particular segment, ten counties were selected for presentation because of the influence of trout fishing in these areas north of Atlanta. (As mentioned previously, trout fishing on the Chattahoochee River reach, located below Buford Dam, covers approximately 43 miles, a distance limited by the increase in water temperature below Atlanta. This also covers the headwaters from above Helen to the Lake. There are no trout in Lake Lanier, they became extinct in 1987.

These counties are Banks, Barrow, Dawson, Forsyth, Gwinnett, Habershatn, Hall, Jackson, Lumpkin and White.

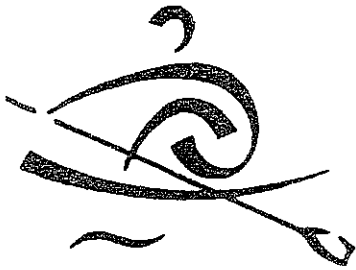
Due to the way that hunting and fishing licenses are issued and tracked, it is difficult to isolate fees associated with fishing licenses alone. To arrive at an approximation of fishing license revenue for the ten county area, total revenue of \$1,043,693 for hunting and fishing licenses was divided in half to yield \$521,847.

Contributors to this segment: Jeff Durniak, Mike Hughes, D.N.R., Toby Bowdich, MTAMA.

Hall County Department of Recreation and Leisure

Hall County has two park facilities that provide revenues: Laurel Park and River Forks Park. Aqualand and Sunrise Cove Marinas on Lake Lanier are also located on Hall County property. Rent paid to the County is based on a percentage of revenue received by the marinas. The estimated combined totals from these four facilities is: \$352,000.

Contributors to this segment: Cary Wright and Bob Gentile.

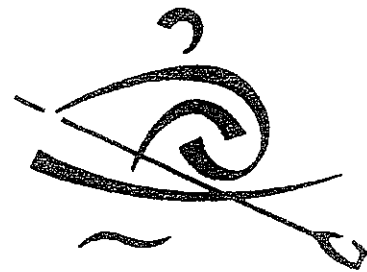


LAKE LANIER ROWING CLUB

3105 Clark's Bridge Rd
Gainesville, GA 30506

770-287-0077

llrc@mindspring.com



SUMMARY OF POST-OLYMPIC VISITORS

EVENTS / GUESTS OF THE LAKE LANIER ROWING CLUB

2001 DETAIL LISTING OF EVENTS

Estimated Visitors: 8077
Estimated Room Nights: 6863
Estimated Economic Impact: \$4,008,517.00

Visiting Crews, January - March 2001

24 Colleges, 950 athletes, average of 7 nights each
Estimate 1884 room nights, Economic impact of \$1,152,365.00

Champion International Collegiate Regatta, May 2001

1300 Athletes, 200 Spectators, 87 Coaches; average of 3 days, 2 nights
Estimate 737 room nights, Economic impact of \$656,098.00

NCAA Women's Championships, May 2001

427 athletes, coaches, staff; 1000 paid spectators; average of 6 days, 5 nights
Estimate 2567 room nights, Economic impact of \$1,171,739.00

Hooch/Chase Regattas, November 2001

4050 athletes, coaches, & spectators; average 1.5 days
Estimate 1675 room nights, Economic impact of \$1,028,315.00

SUMMARY OF ALL YEARS:

2001	Estimated Visitors: 8077	Estimated Room Nights: 6863
2000	Estimated Visitors: 3850	Estimated Room Nights: 2589
1999	Estimated Visitors: 4000	Estimated Room Nights: 3854
1998	Estimated Visitors: 2952	Estimated Room Nights: 3466
1997	Estimated Visitors: 1500	Estimated Room Nights: 860

Bass Tournaments

A survey disclosed that local participants spend \$100.00 per boat for fuel, oil, food, and beverages for each fishing trip. With two fishermen per boat, each fisherman pays an average of \$50.00 for entry fees.

In 2000, fishing tournament sponsors purchased 194 fishing tournament permits at \$25.00 each for a total of \$4,850.00. With an average of 60 boats per tournament, each event would gross an average of \$6,000.

$$\$6,000 \times 194 + \$4,850 = \$1,168,850$$

Contributors to this segment: Cliff Craft, LaVern Headrick, Barkley Geib, and other MTAMA members, Russ Lundstrom, The Corps of Engineers.

Lake Lanier Association

The mission of the Lake Lanier Association is to “protect and preserve Lake Lanier”.

The Association membership is composed of 6,000 individuals and 2,500 homes and businesses. The Association is supported by the Lake Lanier Foundation, an organization of benevolent business leaders, community organizations and individual donors.

The Association is led by President Jackie Joseph and Vice President Ron Seder. It is a non-profit Association protected and approved by IRS Rule 501.C. 3. For that reason, no numbers in support of the Association or its foundation are published.

Marine Equipment Ad Valorem Tax

County	Boats	Valuation
Banks	512	\$1,317,000
Barrow	697	\$1,647,021
Dawson	1,897	\$3,775,143
Forsyth	10,058	\$4,497,000
Gwinnett	15,245	\$26,875,300
Habersham	1,866	\$512,422
Hall	14,598	\$198,007,962
Jackson	1,671	\$2,844,000
Lumpkin	1,698	\$4,631,087
White	740	\$1,877,041
Totals	48,982	\$245,983,976

Ad valorem tax at 1%. average mil = \$2,459,840

Population Projections

The following chart shows population projections for nine counties.

	1993	1995	2000	2005	2010	2015
Banks	11,149	11,439	12,638	13,908	15,273	16,727
Barrow	29,721	N/A	41,500	N/A	N/A	N/A
Dawson	11,504	13,171	18,403	25,691	30,365	N/A
Forsyth	50,123	54,257	64,983	76,289	88,207	N/A
N. Fulton	39,400	N/A	48,377	N/A	60,084	N/A
Gwinnett	370,000	N/A	541,000	N/A	721,000	N/A
Habersham	39,016	29,956	32,339	34,774	37,259	N/A
Lumpkin	16,129	16,726	18,314	20,054	21,959	24,007
White	13,935	15,461	17,453	19,509	21,596	N/A

Source: Georgia Mountains Regional Development Center

Hall County's Growth

Year	Population	10 Year Rate of Growth
1920	26,872	.
1930	30,313	+11%
1940	34,822	+12.9%
1950	40,113	+13.2%
*1960	49,739	+19.3%
1970	59,405	+16.3%
1980	75,649	+21.5%
1990	95,200	+20.5%
2000	142,000	+25.8%
2010	165,000	+24.2%

* Lake Lanier reached full pool

Other Marine Related Business

There are a variety of marine related businesses located in close proximity to the lake that have not been included in other segments of this report. These businesses include independently owned fishing tackle, bait, and equipment stores, boat brokerage companies, repair facilities for engines, fiberglass fabricators, propeller sales and repair, and a number of professional fishing guide services. Time and resources would not allow an estimated accounting of these businesses; however, collectively they represent a substantial economic impact to this area.

BellSouth Advertising
& Publishing Corporation
Room 4B59
2247 Northlake Parkway
Tucker, Georgia 30084

Brad Hightower
Administrative Sales Support Manager
678.406.5005

August 17, 2001

Mr. E. D. Hughes
3197 Arrowhead Drive
Gainesville, GA 30506

Dear Mr. Hughes:

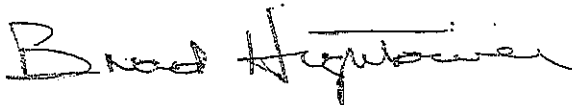
This is in response to your request regarding approximate yellow page advertising revenue in the marine industry for the Lake Lanier area directories published by The Real Yellow Pages®.

The headings Boat Dealers, Boat Renting, Boat Repairing and Marinas account for more than 81% of the related advertising revenue in the area. The total annual revenue for these headings is approximately \$483,000.

The directories reviewed were Roswell-Alpharetta, Atlanta, Gwinnett, Cumming and Gainesville. When you were provided this information in 1994, the \$413,000 estimate included these books plus six others (Austell, Calhoun, Carrollton, Cartersville, Conyers and Marietta) that were deleted from this study.

Keep in mind that the advertising revenue from other directory publishing companies in the Lake Lanier area is not captured in this study. Please feel free to contact me should you require any additional information.

Sincerely,



Attachment

Summary

What needs to be done!

Since this is a study of the economic impact of recreation, environmental issues and the recent downturn of the economy are outside the scope of this analysis. Also, for the purpose of continuing the integrity of this study, we are very much aware that the drop in the economy had a profound effect on the decrease in sales of leisure items, boats, motor homes, etc. We cannot blame the low water levels of the Lake as being fully responsible for the general downturn in sales, for a great variety of products. In order to continue on our low water issues, we would like to summarize the study in the following way:

Since the first of May 2001, we have had above average rainfall in Gainesville. The months of June, July, and so far in August, the weather patterns have returned to normal. Associates of the U.S. Weather Bureau, William and Miriam Sellers of Gainesville, have applied their experience and recognized expertise to the most recent series of weather cycles and stated that "normal weather patterns will continue. If above average rainfall is as anticipated, Lake Lanier has a possibility of returning to full pool by April 1, 2002."

This is welcomed news, but it is not the end of our story. Each person who reads this study must become an advocate of the Lake and participate in establishing a task force to assist the professionals and appointed public servants in the identification of areas with the topographical advantages to support major water storage systems. The run of the Chattahoochee River from Brasstown Bald to the Lake is no longer feasible. The Shoals project, which was identified recently as a storage facility, closed the choice of areas to be dammed on the Chattahoochee. This facility is a work in progress and is scheduled to "come on line" in ten years.

The last is a profound statement, ten years! We are 20 years behind in the identification of proposed sites for reservoirs. Native Intelligence, a research vehicle of the Norton Agency, suggests that the search group should explore areas in the Chattahoochee National Forest, and the Smoky Mountain National Forest. Lake Hartwell has a tremendous water shed and considerations should be undertaken to pipe water to the northern sections of Hall County. If water resource storage areas are identified they will also require ten years to become operational. Growth is coming very fast and water is needed. Growth and expansion is not greed. In this and many other areas of North Georgia it is based on demand. "Build it and they will come".

In support of the segment in this study "Lakeside Real Estate", the following article appeared on the front page of the Sunday Edition of the Atlanta Journal-Constitution, dated August 19, 2001.

By JOHN MCCOSH / jmccosh@ajc.com
and RUSSELL GRANTHAM / rgrantham@ajc.com

Move aside, Buckhead. With a typical house selling for \$542,400, southern Forsyth County's 30097 ZIP code just trumped metro Atlanta's longtime leader in expensive housing.

Many houses in Forsyth are fetching more than \$1 million. An 18,000-square-footer on the Forsyth side of Lake Lanier is on the market for \$8.5 million. And the community commonly known just a decade ago by the folksy name of Shakerag is now better known for places named Olde Atlanta Club, St. Marie and Laurel Springs.

"We see that as being the next Buckhead," said Frank Norton Jr., president of the Norton Agency, a North Georgia real estate firm. "It's already happening."

The Atlanta Journal-Constitution Annual Home Sales Report tracked 91 sales in the Forsyth portion of 30097 from April 2000 through March 2001. The data is provided by Smart Numbers, a real estate analysis firm.

Population projections for 2030 indicate that the Atlanta metro area will be comprised of 10 million people. They also project a continuous series of developments from Atlanta to the Greenville-Spartanburg area of South Carolina. And then there is Charlotte!

The economic impact of Lake recreation on our community is over \$5.5 billion. Additionally, the Lake is a critical source of drinking water locally and beyond. For these reasons, it is critical that immediate, proactive measures are undertaken to identify alternative sources of water. Full cooperation of all affected parties is essential in developing long term solutions. We must make every effort to remedy the water problem soon, for ourselves, and for future generations.

With the highest, most difficult equations, reduced to reason and logic, we have no choice! To quote a visionary with NASA, "First, we imagine what can be, then we work to make these dreams come true."



E.D. Hughes
3197 Arrowhead Drive
Gainesville, GA 30506
(770)532-1768