



# Commission for a New Georgia

## Task Force Executive Summary Tourism

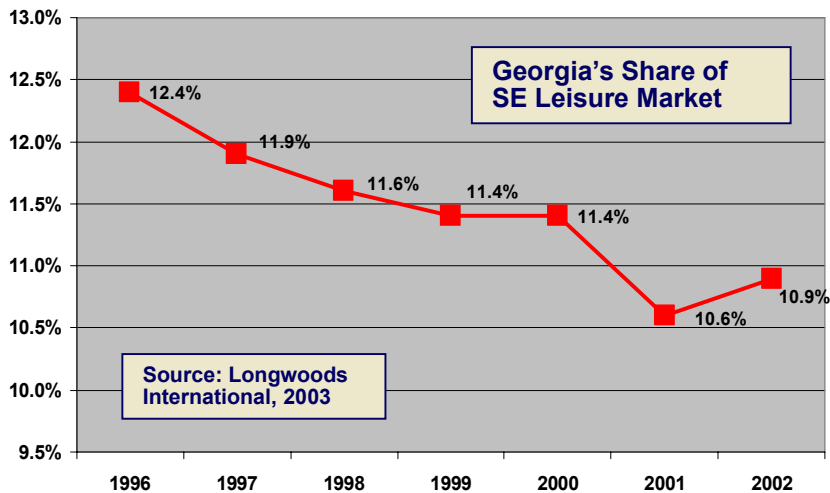
*February 18, 2004*



# Tourism Key Findings

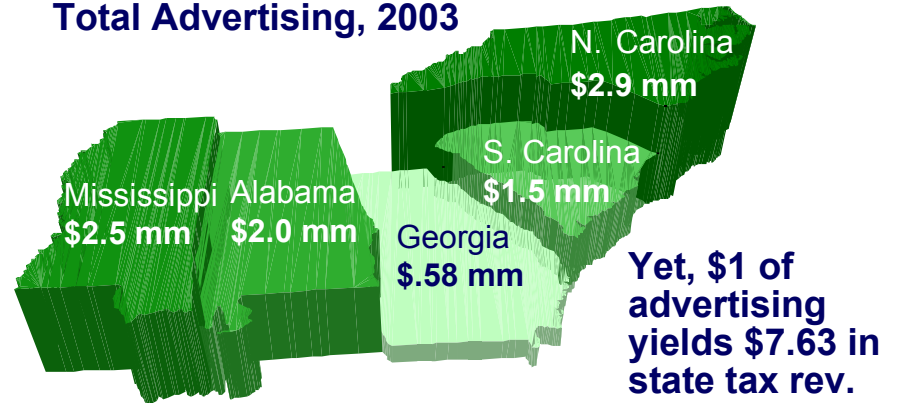
- Visitor spending totaled \$23.9 billion in 2002, generating \$682.9 million in state tax revenues.
- Second largest industry in Georgia
  - 207,100 jobs
  - \$5.8 billion in wages

## Georgia's share of SE market is declining



## Georgia is under-invested in the tourism business

### Total Advertising, 2003



## Tourism jobs can't be exported

- Jekyll Island can't move to China
- N. GA mountains can't move to Mexico

Legally Georgia lacks legal structure to fully leverage joint public/private partnerships



# Tourism Recommendation #1

***Consolidate Georgia's tourism efforts into a single, independent authority***

- Authority would encompass tourism such as arts, culture, and sports
- Results in operational cost-savings from elimination of redundant organizational structures which could be redirected into marketing efforts
- Eliminates fragmented and inefficient marketing of some existing authorities with a common vision and brand to maximize revenue

## Example

**Estimated operational cost savings  
from elimination of redundant positions:**

**Agrirama + Ag Expo = \$272,981**

**Music + Sports Halls of Fame = \$499,257**

**(Actual savings would likely be higher)**



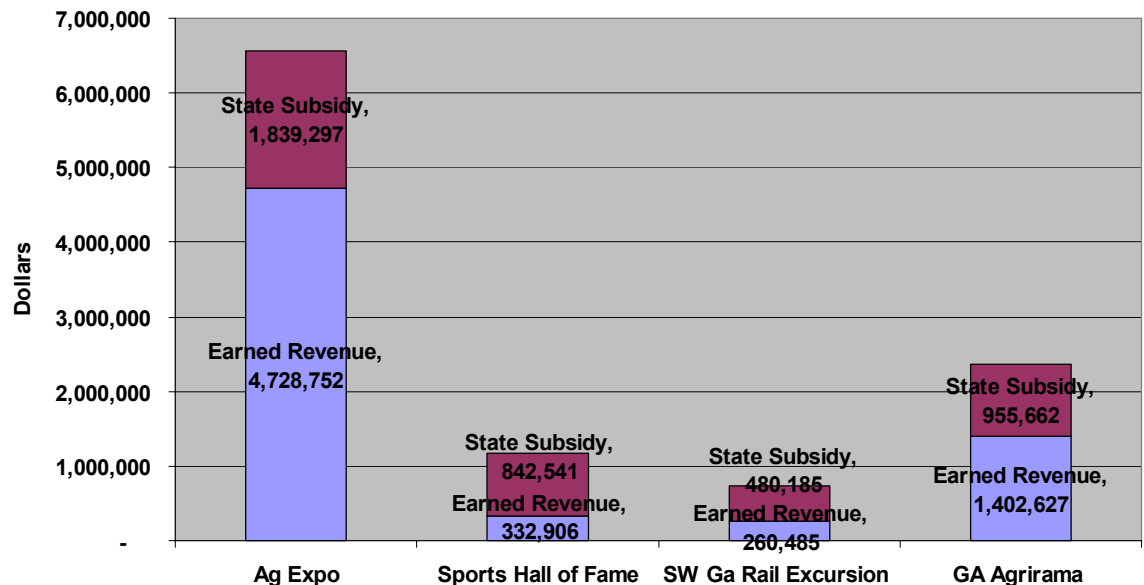
# Tourism Recommendation #2

*Assess the performance of assets and determine a long term strategy for each organization*

- Identify maximum potential of assets
- Develop strategy for achieving potential for each individual asset
- Develop a plan for asset management
- Consider divestiture of appropriate assets to create a revolving fund for future development

**Many state-owned tourism assets require sizable subsidies to continue to operate.**

**Total Budget for Selected Tourism Assets  
(Separated by Earned Revenues and State Subsidies)**

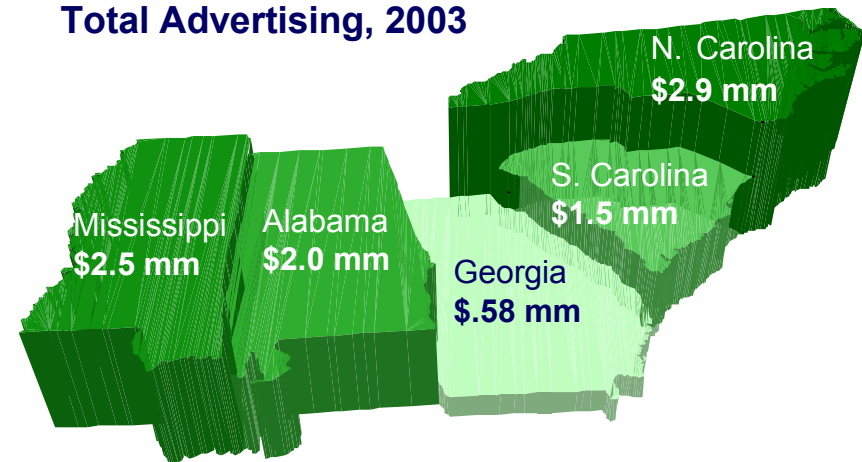


## Tourism Recommendation #3

***Substantially expand the funding base both private and public for tourism marketing, advertising, and research***

- Provide incentive for private sector to partner in marketing the state
- Invest in research to enhance quality and effectiveness of marketing efforts
- Increased marketing and advertising should:
  - Increase visitation to regain tourism market share
  - Increase tax revenues which can continue to fund marketing efforts
- Enhance quality of life for Georgians through increased:
  - Dining, entertainment and recreation options
  - Historic preservation
  - Environmental preservation
  - Increased jobs and income

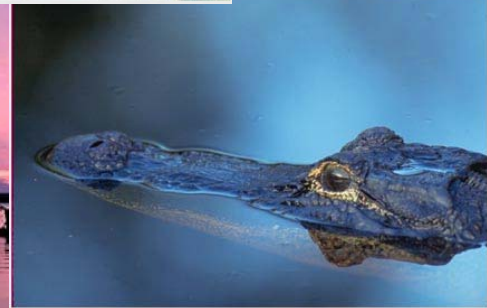
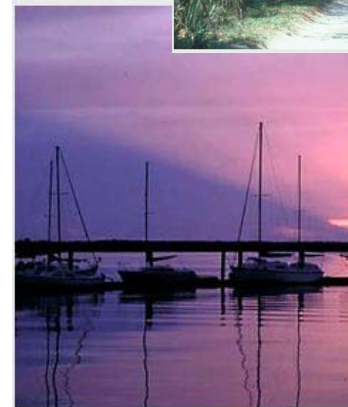
### Total Advertising, 2003



# Tourism Recommendation #4

## *Develop a comprehensive master development plan for Coastal Georgia*

- Build upon DNR's coastal management plan for Georgia
- Develop a plan for asset management
- Broaden the scope of DNR's plan to create a fully integrated plan for sustainable economic development
- Include input from affected citizens, industries, state agencies, and environmental organizations
- Balance economic development interests and environmental concerns
- Use this master plan as a blueprint for planning development of other areas of Georgia



# Tourism Recommendation #5

## *Investigate current incentives to stimulate tourism job growth and capital investment*

- Consider expanding eligibility of tourism jobs eligible for Quick Start
- Promote the Jobs Tax Credits (JTCs) to the tourism industry and develop a strategy to accommodate seasonal or part-time nature of tourism jobs
- Attract capital investment in tourism through:
  - Expanding existing incentives and funding alternatives (e.g., OneGeorgia)
  - Developing new incentives and funding alternatives (e.g., tax increment financing)



# **Tourism Recommendations (Current Legislative Session)**

## ***Support legislation enabling GDITT to enter into public/private marketing partnerships***

Enhance GDITT's effectiveness in marketing Georgia to:

- allow GDITT to accept funds from private partners for marketing purposes
- improve procurement process
- allow the sale of products and services to raise funds

## ***Support proposed hotel/motel tax reform (HB 1415)***

- Increase clarity and compliance by simplifying the current law
- Ensure accuracy in funding for local tourism marketing by minimizing innkeeper under-reporting
- Assure appropriate funding for local tourism marketing by providing formalized reporting and auditing

