

The Uwharrie Lakes Region



Funding for the research
on which much of this is
based comes from:

Uwharrie Capital Corp.
The Cole Foundation. 😊
and
The Cannon Foundation.

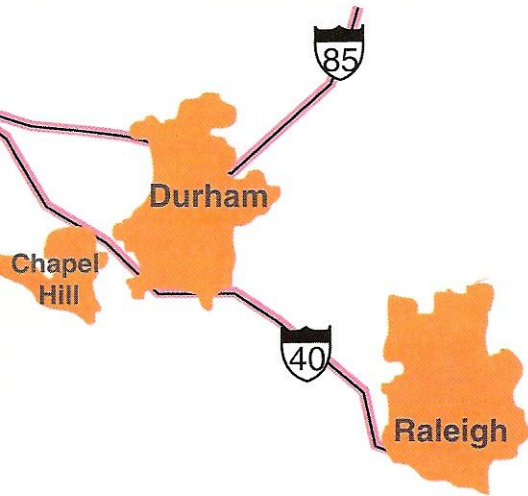
*A Strategy for
North Carolina's 'Central Park'
the Yadkin-Pee Dee Lakes Project*

The Seven County Region and Nearby Cities



Table of Contents

The Uwharrie Lakes Region	Page 3
The Central Park Concept	Page 7
The Piedmont Economy	Page 9
Sustainable Tourism	Page 23
A Call for Action	Page 33



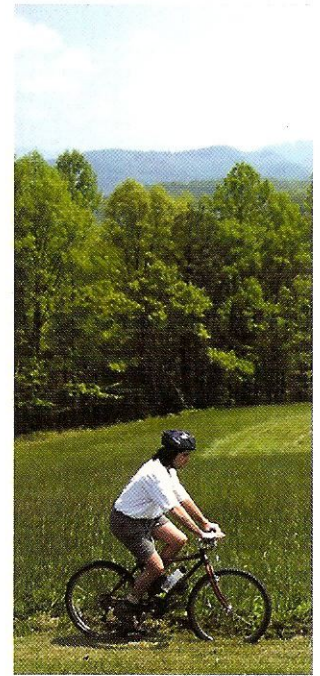
surrounding hilly farmland of the northern two-thirds to the Sandhills and forest bottomland of the southeastern portion lies a landscape as rich as it is varied. Residents of the region enjoy a *quality of life* that offers the best of both worlds: rural and small town charm *and* yet easy access to the larger urban centers.

Less than an hours drive from our major cities and located along the I-85 corridor, Rowan, Davidson and Randolph Counties have shared to a degree in the economic expansion of the “urban crescent”. Stanly, Montgomery, Anson and Richmond counties, by virtue of their more remote rural situation, have struggled to keep pace. Urban growth pressures are causing the region’s landscape to change and those changes are not always what residents envision for their future. The three northern counties are now grappling with acute issues of *suburban encroachment* from neighboring urban counties, while the southern four counties are dealing with land-use issues related more to unplanned development within the countryside. Both forms of growth may compromise the regions economic potential.

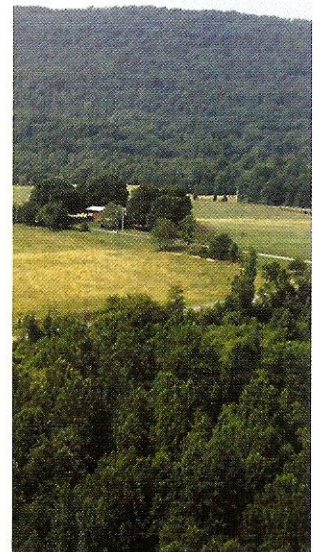
The region’s leaders have stated that quality of life, the rural landscape and its natural resources hold the key to its future. With these resources and its proximity to surrounding metropolitan areas, many are referring to the *Uwharrie Lakes Region* as *North Carolina’s “Central Park”*.

Under the growing urban crescent spanning from Charlotte to Raleigh/Durham, lies a region of the North Carolina Piedmont characterized by a *chain of lakes, open farmland, ancient mountains, forests and winding scenic lanes*. The Uwharrie Lakes Region is linked by the *Yadkin-Pee Dee River* as it cuts through the mountains in the Uwharrie National Forest, Birkhead Wilderness and Morrow Mountain State Park. Gold and the water for hydro power are two of the region’s historically significant resources. This region is home to a *culture and traditions* rooted in hard work, with farming, forestry and manufacturing serving as the economic backbone.

Although the seven counties—Anson, Richmond, Stanly, Montgomery, Rowan, Davidson and Randolph—all lie within the watershed of the Yadkin-Pee Dee River, each one is unique. From the ancient Uwharrie Mountains in the eastern half of the region and the



© NC Dept. Travel and Tourism



© David Jones

“...many are referring to the *Uwharrie Lakes Region* as *North Carolina’s ‘Central Park.’*”



© NC Dept. Travel and Tourism

“To promote and support efforts that balance economic development and environmental management in the Uwharrie Lakes Region.”

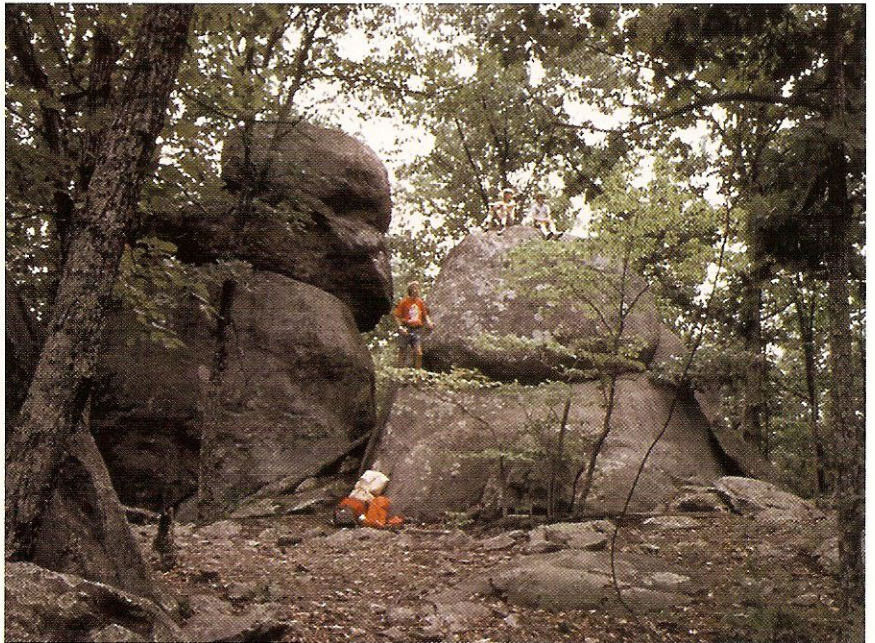
Yadkin-PeeDee Lakes Project Mission Statement

The Yadkin-Pee Dee Lakes Project was formed by consensus of leaders from the seven counties to preserve the natural and cultural assets of the region using them to help create a sustainable local economy. It was incorporated as a private, non-profit 501 c (3) organization in 1994, and is housed in Badin, Stanly County. Initial efforts in land conservation and farmland preservation led to the establishment of the Land Trust for Central North Carolina which now works as an independent sister organization to the Lakes Project. As a newly formed 'partnership', emphasis was placed on the image and access to the attractions of the region as a whole. The Project produced a tourism brochure, a scenic byways map, a positioning video and a canoe trail and map for the Yadkin-Pee Dee River corridor. Most importantly the partnerships that were formed as a result have begun to provide a sense of cohesiveness with local recognition of the 'Uwharrie Lakes Region' and its potential as the Central Park of the otherwise heavily urbanized N.C. Piedmont.

The Central Park study on which much of the following is based strengthens the efforts of the Project and signals a change to more proactive, resource-based recreation and tourism development. The study provides direction, justification and a challenge to the region as a whole to come together to safeguard the quality of life and environment currently enjoyed, while expanding the economic base to provide new business opportunities and jobs based on those unique assets.



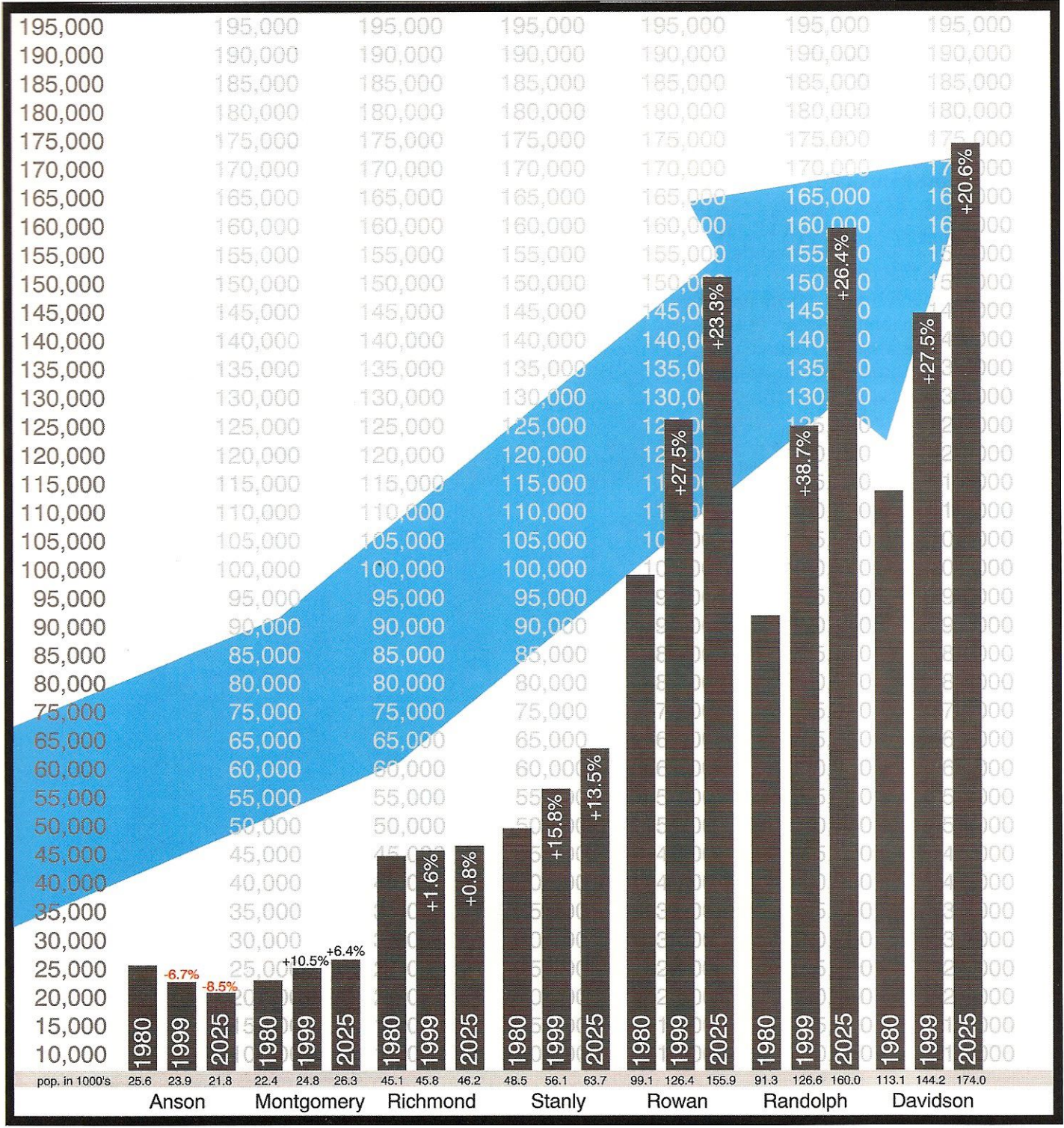
© Phil Rhyne



© Yadkin-Pee Dee Lakes Project

“...the partnerships that were formed as a result have begun to provide a sense of cohesiveness with local recognition of the 'Uwharrie Lakes Region' and its potential.”

Population Growth



The population of North Carolina's urban Piedmont is growing rapidly. This population will increasingly demand opportunities for outdoor recreation. This is an opportunity for the Uwharrie Lakes Region to reap considerable economic benefits from its natural and cultural assets.

Over the next 25 years, the Piedmont's urban and suburban population is expected to increase by 32 percent from **3.5 million to 4.6 million**. Including the rural areas, over five million people will then be within easy reach of the Uwharrie Lakes. Not only is the Piedmont's population rapidly growing, but its demographics are changing as well. The **baby boomers** who pioneered the development of Research Triangle Park and promoted the growth in the Charlotte based banking industry are approaching retirement. Studies indicate that retired baby boomers will have much **more discretionary income**, are better educated and are seeking more additional educational experiences than their parents. They will also be **more physically active** in their retirement than the preceding generation. Their interests, economic situation and home location will drive an increase in use of the many resources offered in the Uwharrie Lakes Region. The concept of a Central Park for the Piedmont is becoming a reality.

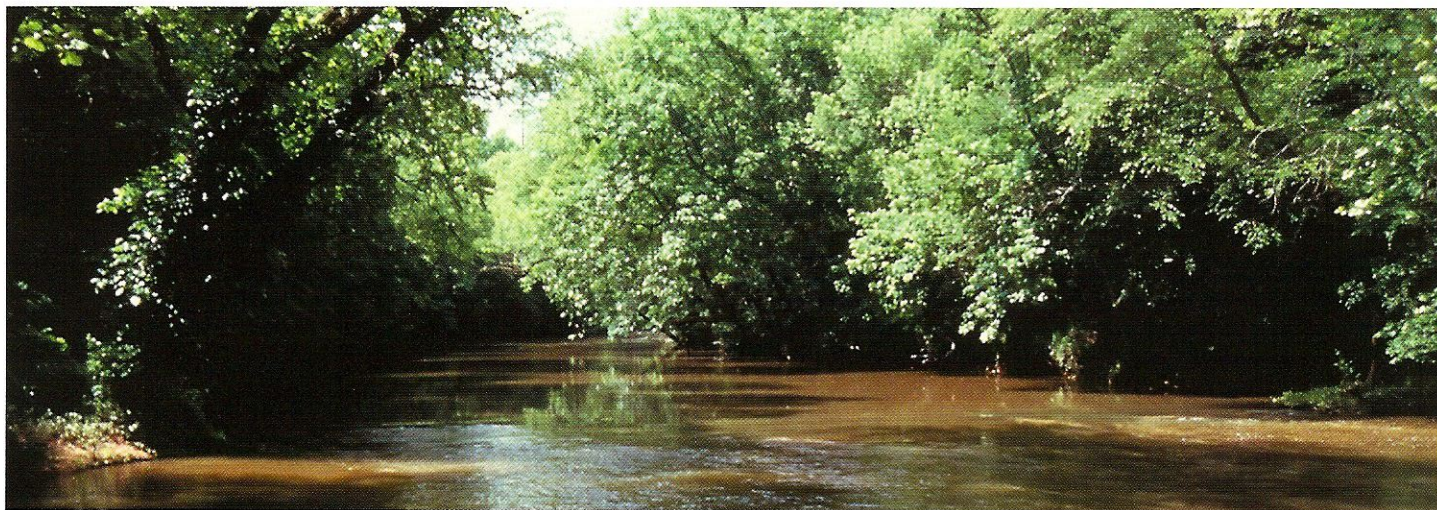
To ensure that this happens in a way that is most beneficial to the more rural counties, the Yadkin-Pee Dee Lakes Project commissioned **the Central Park Study**. This study was designed to explore the potential for and feasibility of sustainable recreation and tourism as a major economic engine for the region. Not to replace existing industries, but to supplement them and broaden the job spectrum. To test the feasibility of the Central Park Concept, the Lakes Project commissioned research from the Departments of Tourism and Recreation Management at Appalachian State University and the Belk College of Business Administration at UNC-Charlotte in May 1998. Over the following 18 months, the Appalachian State University team conducted a **market study of outdoor recreational and travel demands** and preferences among households living in the Charlotte, Greensboro and Raleigh/Durham metropolitan areas.

Meanwhile, the University of North Carolina at Charlotte team tested the economic potential of recreation and tourism in the region by **forecasting the regional impact of such activities through the year 2025**.

The Baby Boomers: A Significant Market Force

There are 77 million baby boomers in the U.S. ranging in age from 35 to 53 years. In the next five years they will begin to retire. Most will have retired by 2025.

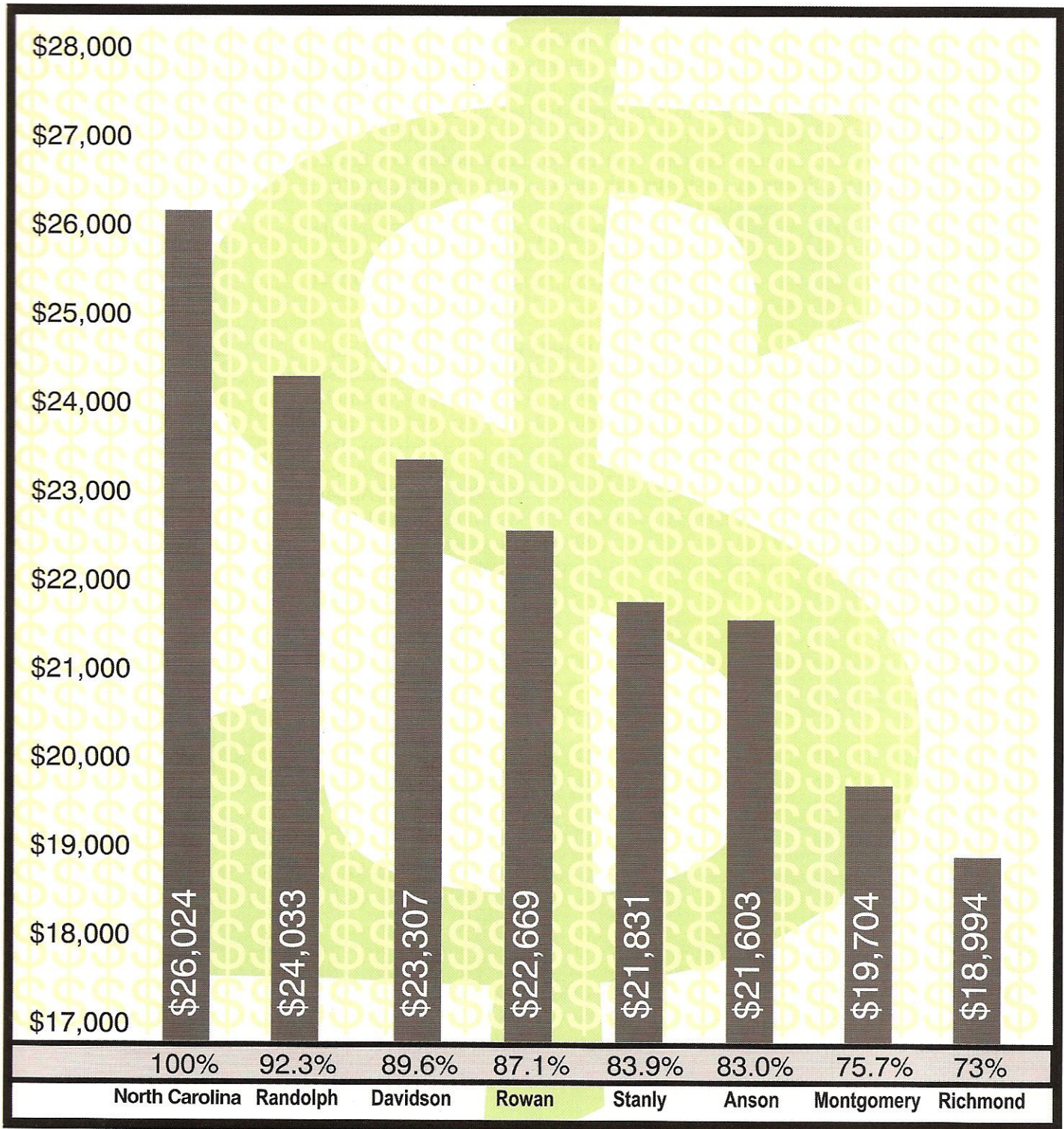
Consequently, there will be a much larger number of mobile seniors who will be considerably wealthier than are current retirees. This group will continue to dominate the recreation/tourism market scene for the next 10 to 20 years.



© NC Wildlife Resources Commission

“The concept of a Central Park for the Piedmont is becoming a reality.”

8 Per Capita and Percentage of State Average Income



“Low rural wages and poor current employment opportunities drive the out-migration of educated young people from the rural areas.”

The Piedmont's Economy is Restructuring

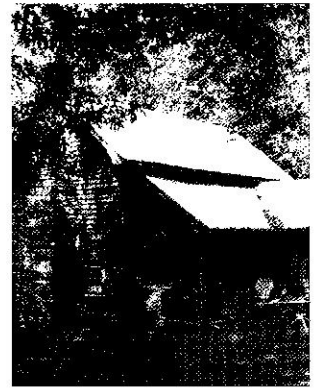
North Carolina has experienced an amazing economic boom since the late 1980's. Raleigh and the Research Triangle Park, the entire Charlotte region and the Triad have all seen tremendous gains in business investment, company growth and population. This urban based growth is expected to continue well into the future.

Unfortunately, the rural areas of the state have not kept pace. The average income gap between rural and urban households in the region increased from \$4000 to \$10,000 between 1989 and 1999. If business continues "as usual" that gap will continue to increase. The state's 1999 rural poverty level of 27% of households is nearly twice as high as the urban level of 14% (Poverty defined as households with combined incomes of less than \$17,000 a year at year 2000 prices). Low rural wages and poor current employment opportunities drive the out-migration of educated young people from rural areas in search of higher paying urban based jobs.

For most of the 20th century, traditional manufacturing (mainly textiles) has served as the economic backbone for the more rural areas of the Piedmont. Rural North Carolina has been more dependent on manufacturing than the urban areas which have more diverse economies. However, technological advances and market globalization (with lower manufacturing costs overseas) are streamlining entire industries and reducing the numbers of local jobs. This decline is a trend that has been occurring across the state and the nation for the past 20 years and is predicted to continue.

Those sectors of the local economy that have grown significantly are retail, service and high-tech industry. This growth is represented by many new small businesses (under 500 employees). Such companies now make up 98 percent of all employers in North Carolina.

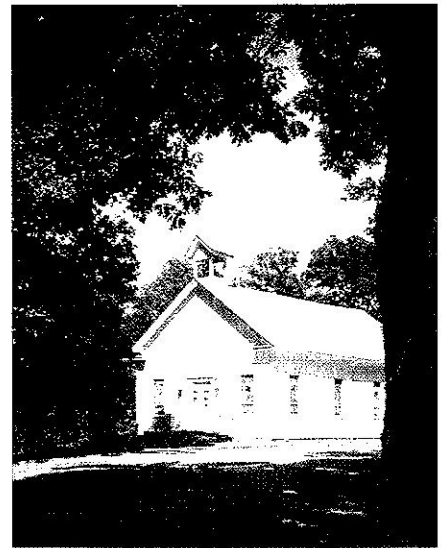
In North Carolina, 91 percent of net job creation between 1992 and 1996 was in businesses employing less than 20 people. Fifty-two percent of new job creation was in businesses employing from 1 to 4 people.



© Yadkin-Pee Dee Lakes Project



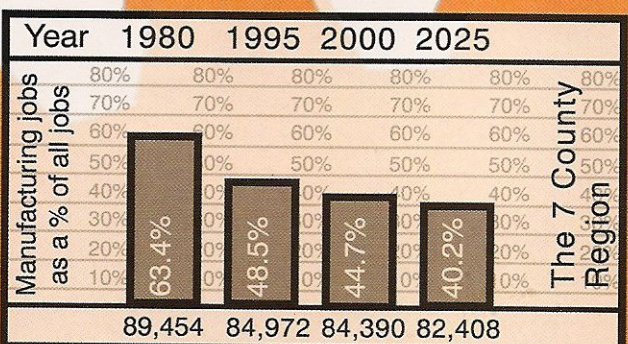
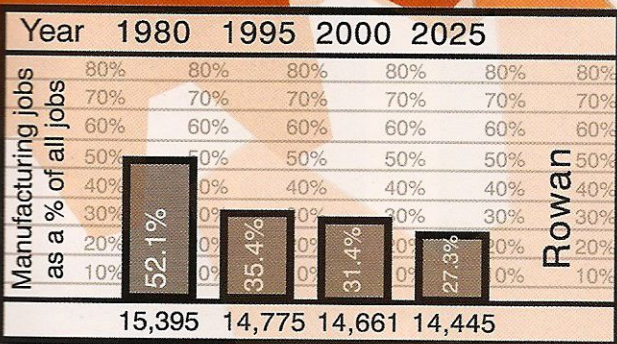
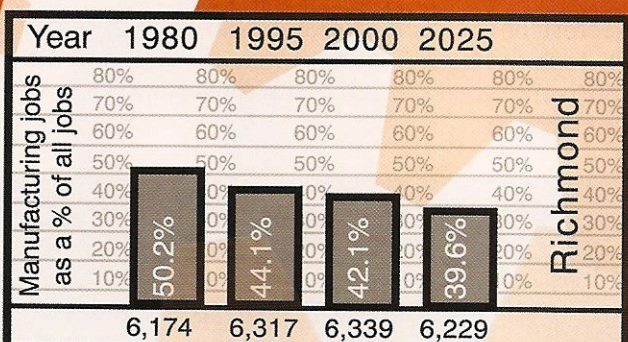
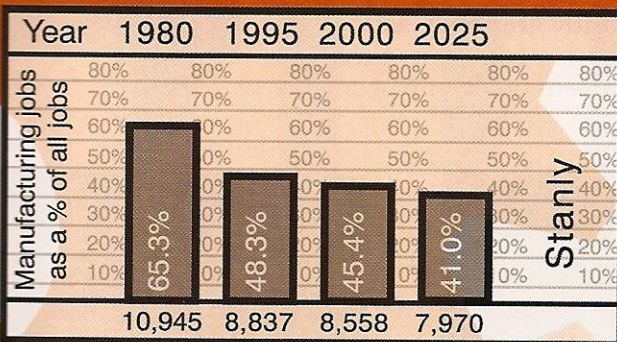
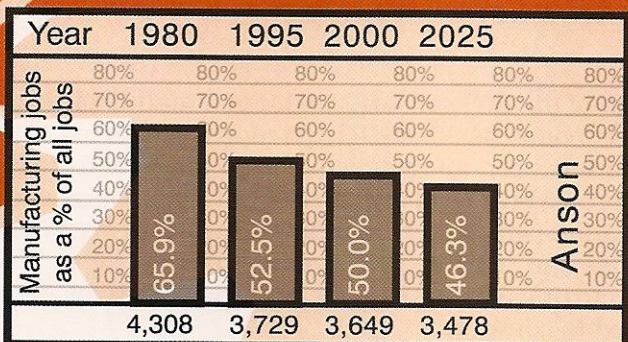
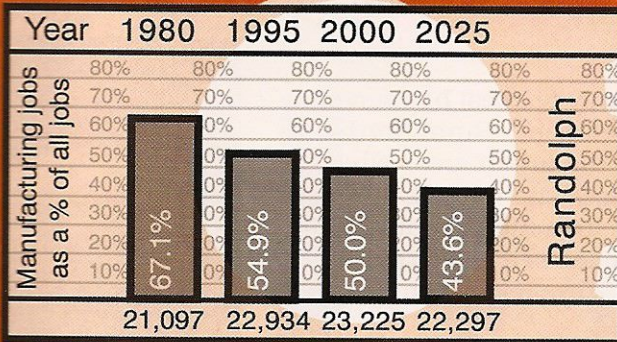
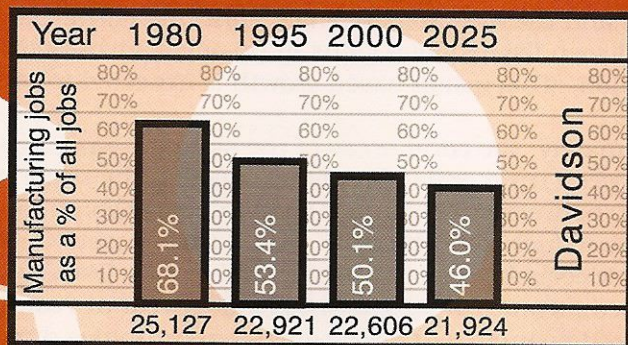
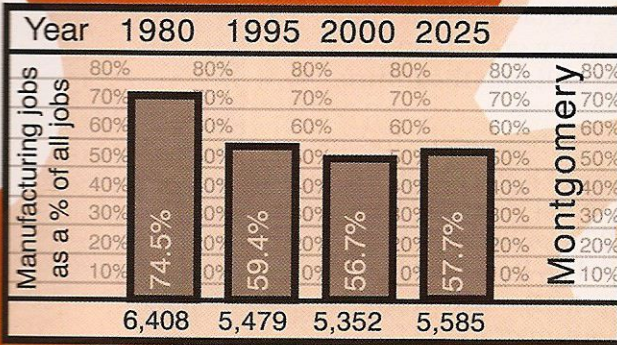
© NC Dept. Travel and Tourism



© Yadkin-Pee Dee Lakes Project

The average income gap between rural and urban households in the region increased from \$4000 to \$10,000 between 1989 and 1999.

Actual and Predicted Changes in Manufacturing

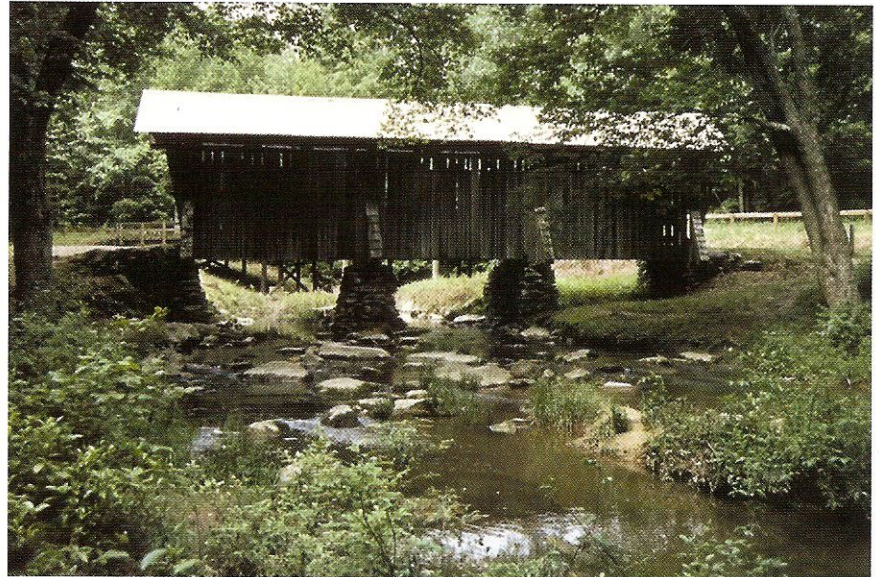


“The success of the Central Park development strategy will depend on small business development.” – UNC-Charlotte

Despite the relative downturn of manufacturing industry employment, those that can compete will continue to provide a significant number of jobs for Piedmont residents. The fact that there will be fewer manufacturing jobs to recruit will make that process more costly and competitive. The traditional economic development tools and policies currently available to rural areas have been developed specifically for the recruitment of manufacturing jobs and may not now be appropriate.

Similarly, the local tax structures have been established to capture investment in the physical property associated with such industries. As the economy restructures, these policies and tools must change to allow communities to recruit, develop and benefit from the new growth sectors. It is probably no longer wise to include the rural areas in the same economic zones that include larger cities.

Rural industrial recruiters have relied for example on access to major highways as one of the prime criteria for attracting manufacturing businesses, but as personal priorities change and quality of life becomes increasingly important such infrastructure becomes less critical. Corporate executives rate quality of life just behind access to domestic markets and availability of skilled labor in selecting a new location. Small businesses rank the availability of open space, parks and recreational opportunities as their number one factor in choosing a new business location. Most future jobs in the region will be founded on small businesses.



© Yadkin-Pee Dee Lakes Project

Actual and Predicted Changes in Manufacturing for the State of NC

Year	1980	1995	2000	2025
80%	80%	80%	80%	80%
70%	70%	70%	70%	70%
60%	60%	60%	60%	60%
50%	50%	50%	50%	50%
40%	40%	40%	40%	40%
30%	30%	30%	30%	30%
20%	20%	20%	20%	20%
10%	10%	10%	10%	10%
Manufacturing jobs as a % of all jobs	42.4%	29.1%	26.4%	22.7%
State of N.C.	835,585	870,344	891,500	873,400



© NC Dept. Travel and Tourism

“Small businesses rank the availability of open space, parks and recreational opportunities as their number one factor in choosing a new business location. Most future jobs in the region will be founded on small businesses.”

12

Prospects for Traditional Farming and Forestry Over the Next 25 Years Are Uncertain



© NC Dept. Travel and Tourism

“The idyllic images of the rural countryside dotted with small farms is an icon from our grandparents’ time that is struggling to compete with the economic efficiency of the larger, more specialized farms of today.”

The idyllic images of the rural countryside dotted with small farms is an icon from our grandparents' time that is struggling to compete with the economic efficiency of the larger, more specialized farms of today. These images though are critical to the perception of the region's quality of life. Technology, globalization of markets and the demand for cheap food wherever it comes from, threatens the existence of these farms and that rural icon. A look at trends in global food production and human population growth suggests that in the next fifteen years the abundant supply of inexpensive food, some from developing countries and subsidized sources will decline. Market competition for food will raise prices and local food production will once again become more competitive and in demand. The challenge is to keep our smaller farmers in business until the market improves the 'playing field' for our agricultural sector.

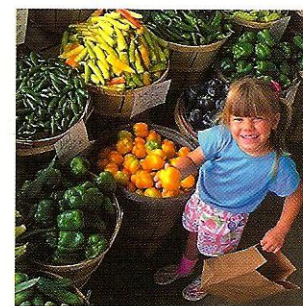
Large, high capacity hog and poultry farms exist throughout the Region, but especially in Anson County. The move to phase out lagoon and spray operations from the flood plains further East could increase pressure for more finishing operations here. It will be critical for the local leadership to require the use of recently improved technology to prevent a repeat of the problems seen elsewhere. The placement and management of intensive farm operations is critical to water and air quality and their compatibility with recreation and tourism.

The North Carolina Cooperative Extension Service recognizes that in the interim, smaller farms need to seek alternative activities and supplemental incomes for their economic survival. The best options seem to be working part-time away from the farm, growing specialty crops, producing value-added products (processing items grown on the farm) and/or selling directly to consumers to avoid middlemen. Another way to supplement incomes is **agri-tourism**, which includes farm stays or day visits, value-added and ready-to-eat products, pick-your-own and scenic herb/flower/small livestock farms.

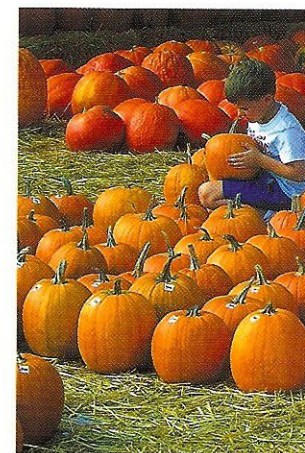
Another resource critical to the scenic character and quality of life in the Lakes Region is the native, diverse mixed hardwood forest. At the same time, the rapid increase in construction and the presence of one of the world's largest furniture making communities in the Yadkin Pee Dee watershed makes timber a critical commodity economically. Timber production and processing is now a globally very competitive industry and the range of wood products is still increasing. The number of new homes and the average size of each home has increased dramatically. This has led to a greater demand for board lumber and the processed wood products used in construction. In addition, the demand for high quality office paper has not decreased with the invention of the computer. Wood chips can now be efficiently converted into a range of products, largely for the construction industry as well as for paper production and all of this has encouraged an improvement in efficiency in the use of the timber resource.



© NC Wildlife Resources Commission



© NC Dept. Travel and Tourism



© NC Dept. Travel and Tourism

"...**agri-tourism**, which includes farm stays or day visits, value-added and ready-to-eat products, pick-your-own and scenic herb/flower/small livestock farms."

"Critical to the scenic character and quality of life in the Lakes Region is the native, diverse, mixed hardwood forest..."



© Yadkin-Pee Dee Lakes Project

"...tourism employment is growing at fourteen times the rate of new job growth in forestry..."

Pines grow well in the 'Lakes' region and there is a risk that if pines replace hardwoods extensively, this could change the aesthetic and ecological face of the region. However, better use of the existing pine and hardwood resource is taking place. The planting of any new acreage of pines will largely depend on whether further efficiencies can be made with existing plantations.

The southeast of the US is now one of the most important hardwood producing areas in the world. It is likely in the next two decades, that if we can manage our hardwood resources well, they will again become a more valuable economic resource. At the same time, though, it is vital that we keep the scenic value of our woodlands in mind as a high priority when considering the other economic opportunities in recreation and tourism that our woodland cover provides us with.

As a result of all this, over the next 25 years, regional employment in the forestry and wood products industry is expected to increase with the industry requiring additional highly skilled workers. New products and processes will encourage higher wages and broader markets. Primary markets for our local wood products in 2020 will almost certainly still be lumber, furniture, board manufacturing, paper and pulp.

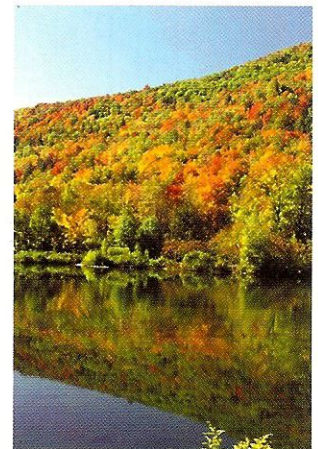
Apart from pressures on the landscape that exist through more aggressively commercial forestry practices, the greatest change that is taking place in terms of woodland acreage is the demand for land for development. This also de-

creases the land available for timber harvest. Despite the concern about the impact of chip mills in the area and the pressure that they might create to clear more woodland, the overall market for chipped product is not predicted to grow rapidly. The chip mills in this region are currently operating at about 50% of capacity and the major profit remains in efficient lumber production rather than chips. Recent plans for the use of chips in the Lakes region are tending to look at ways in which that product can be used within the region and will largely make use of existing lumber byproduct instead of that product being exported out of the region.

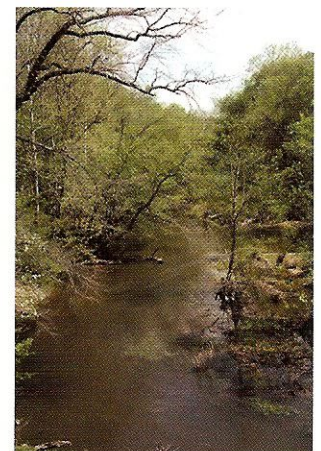
The challenge here is going to be to recognize and encourage the continued production of high quality wood and timber products and with it the maintenance of a large number of rural jobs, while at the same time not compromising both the micro and macro scenic value which underlies the region's potential for recreation and sustainable tourism. A recent study by NC State University Department of Forestry showed that although forestry is basically a healthy industry, tourism employment is growing at fourteen times the rate of new job growth in forestry generally and this illustrates the need to keep a sensible balance between the two activities.

1998 'Central Park' Tourism

4 million visitors spent \$304 million and were serviced by 8,713 jobs. The people in those jobs then spent another \$118 million, supporting a further 1,750 jobs. Total impact = 10,463 jobs- \$422 million spent as a result of tourism.



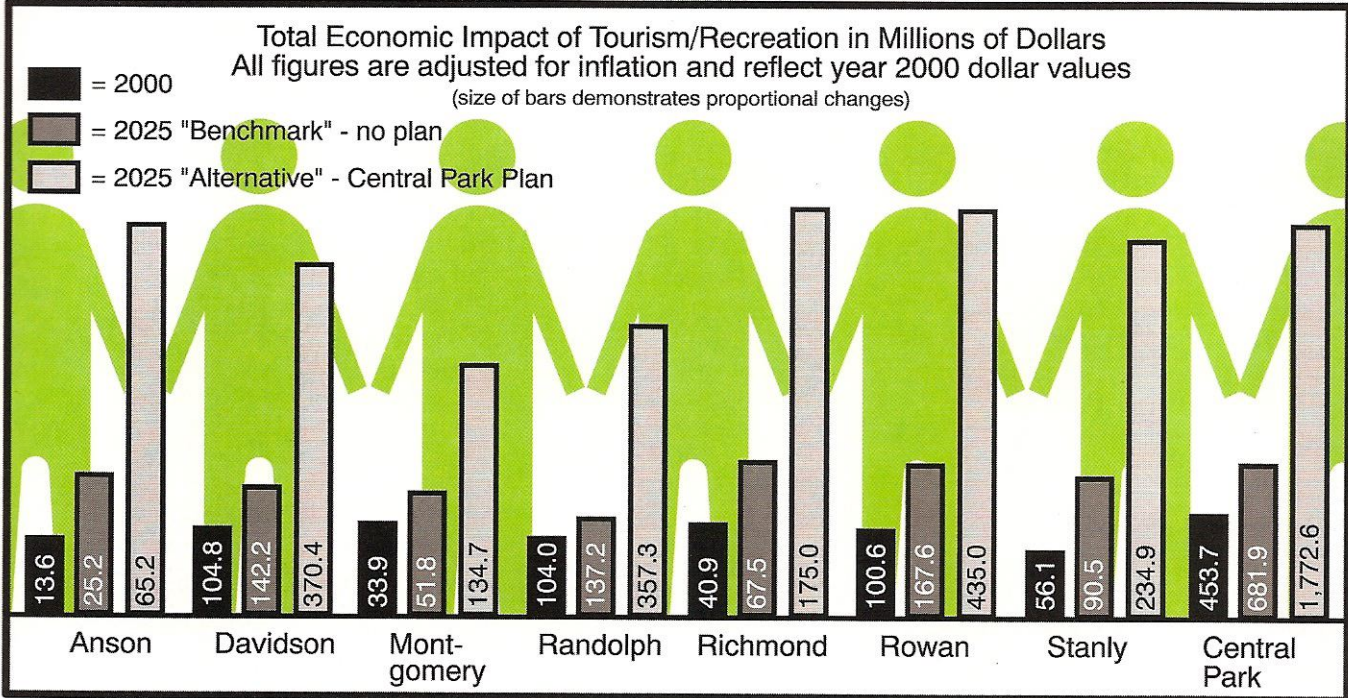
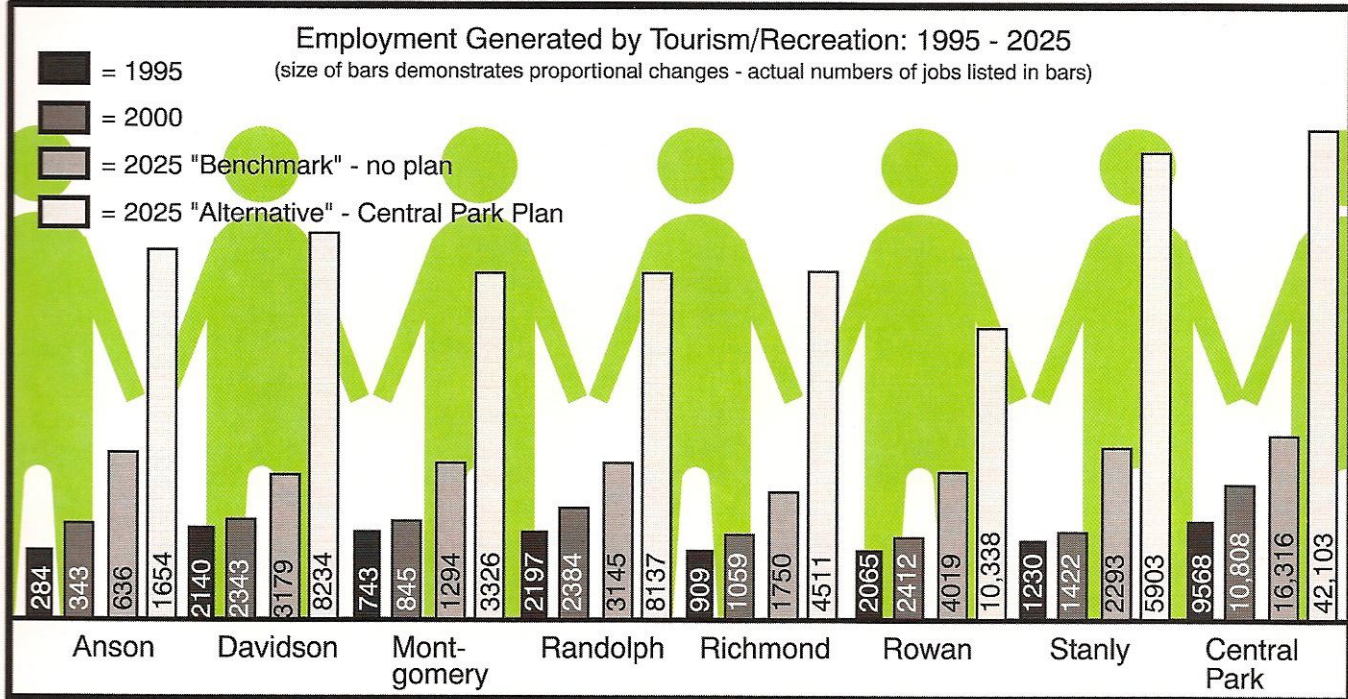
© Phil Rhyne



© NC Wildlife Resources Commission

"Pine farming...is likely to continue to be more profitable than hardwood production in the foreseeable future."

Total Economic Impact of Tourism/Recreation



“Total Economic Impact” in this context is the sum of:

- 1 Direct spending on tourism/recreational activities
- 2 Dollars spent by tourism/recreational facilities on their servicing and maintenance (supplies, utilities and construction)
- 3 Dollars spent by those employed in tourism/recreational facilities

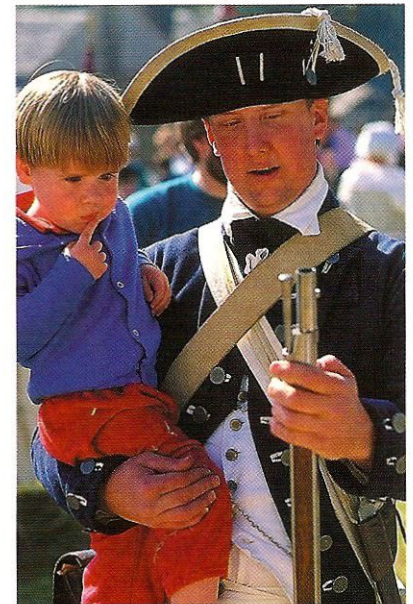
Tourism, especially outdoor tourism, is the fastest growing industry in North Carolina and nationwide. It is expected to continue to grow well into the foreseeable future. According to the Travel Industry Association of America, **domestic travel expenditures in the U.S. grew from \$216 billion in 1986 to \$424 billion in 1998. In 1999, tourism was an \$11.9 billion dollar industry in North Carolina** showing an average 3% per year growth over the preceding 10 years. Tourism has also enjoyed a parallel 3% annual growth in the Uwharrie Lakes Region with 3.6 million visitors spending \$259 million in 1995. The current visitor spending figure with 4.2 million visitors in year 2000 is probably close to \$315 million. If all indirect spending (that is by employees and supplier's as well) is added in, the current figure rises to \$438 million. It needs to be kept in mind that about 15% of this (\$66 million) then reverts to the State and local taxbase, a point often missed for this industry.

Tourism is a difficult industry around which to track economic impact because it affects many areas of the economy. Impacts are usually seen in sales tax revenue increases rather than property taxes as measured for manufacturing industry and traditional economic development. It is important to note that tourism, like manufacturing, is a "basic" industry that brings new dollars from outside into the local economy. That is not often recognized. Traditional service sector jobs are considered "non-basic" meaning that they recirculate existing dollars within a community. It is difficult when looking at jobs by employment sector to separate the basic service jobs from the non-basic. Eating and drinking establishments, hotels and lodging, service stations, public and air transportation, general retail and entertainment and recreational services are all positively affected by tourism.

The "benchmark" tourism scenario assumes a situation where no special effort is made to promote tourism/recreation activities in the region. The "alternative" scenario assumes that investment and coordinated effort is put in to plan, package and market tourism/ recreation activities and in particular to stimulate overnight stays in the area. "Year 2000 Dollars" The value that those dollars would have had in the year 2000. In the context of this report, this allows for real-time comparisons to be made with current dollar earnings.



© Yadkin-Pee Dee Lakes Project

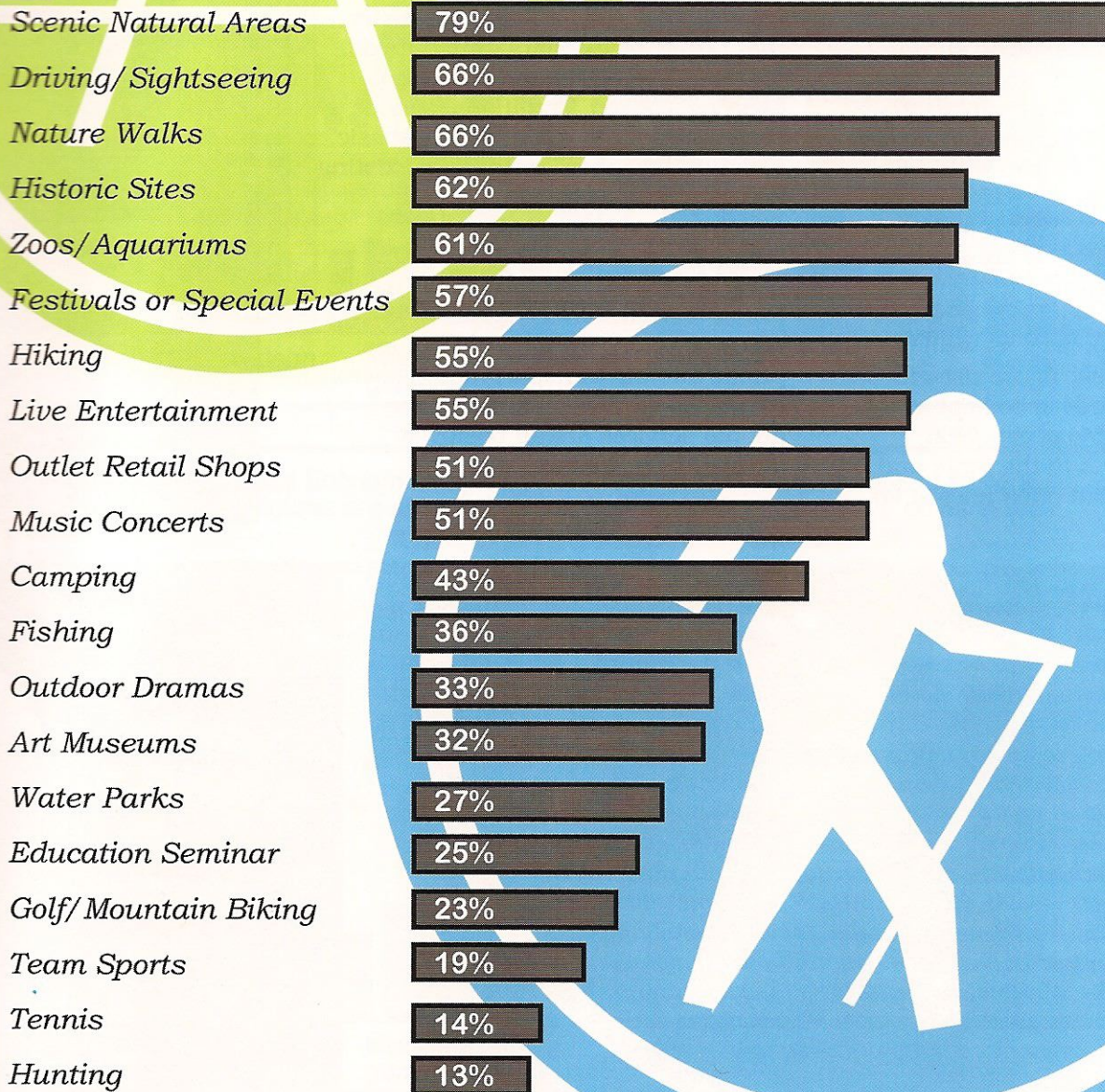


© NC Dept. Travel and Tourism

"Tourism, especially **outdoor tourism**, is the fastest growing industry in North Carolina and nationwide."

When asked what, in a range of activities they would be interested in, the following percentage of urban households responded positively:

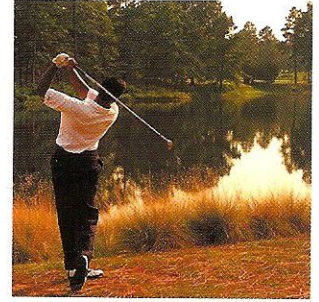
(A.S.U. consumer market analysis pp 1 - 82)



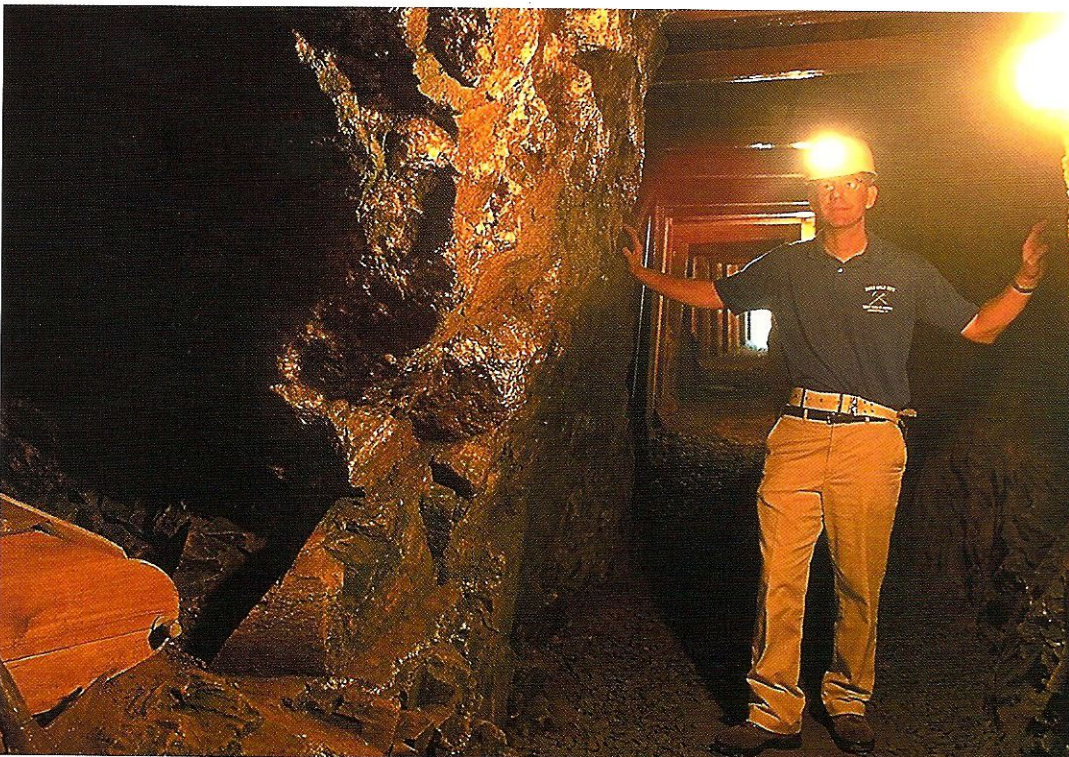
Annual sales of hunting, fishing, boating & other outdoor equipment and connected services in NC exceeds \$3 billion, sustaining over 30,000 jobs and returning over \$200 million to the State and local tax base.

For Appalachian State University's (ASU) study, *North Carolina's Central Park: Assessing Tourism and Outdoor Recreation In the Uwharrie Lakes Region*, a consumer market survey of 2300 of North Carolina's urban Piedmont households, more or less equally distributed between Charlotte, the Triad and Raleigh/Durham, was undertaken. Results indicate that nature walks, hiking, swimming, camping, canoeing/kayaking, fishing, horseback riding and bird watching rank high with Piedmont urban metro consumers as the types of recreational activities pursued as part of a vacation or pleasure trip.

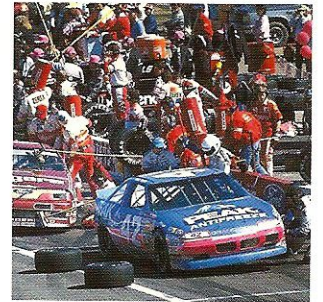
The Uwharrie Lakes Region, rich in natural and cultural resources, already serves tourists from all over North Carolina and beyond. Each county has many assets that draw or could draw tourists and that could serve as "anchors" for development of additional tourism attractions. The ASU survey powerfully demonstrated that the ***natural, scenic countryside and opportunities for scenic driving and sightseeing are the most desired attractions for our strongest potential visitor market.***



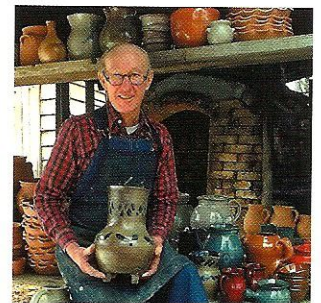
© NC Division of Tourism



© NC Division of Tourism



© NC Division of Tourism

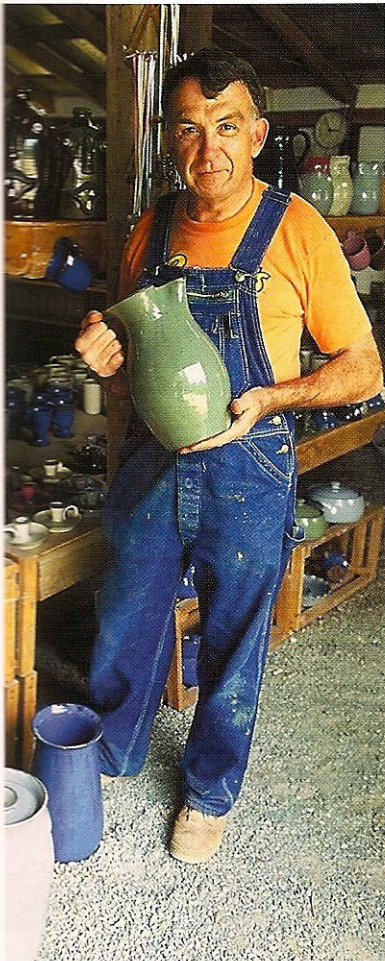


© NC Division of Tourism

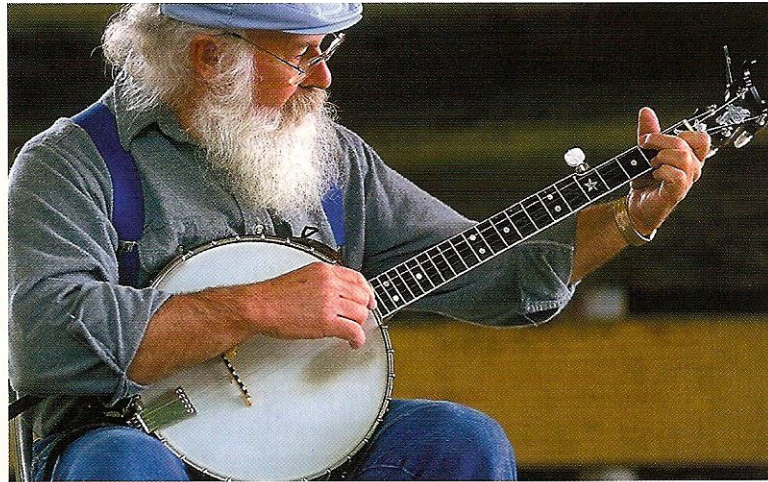
"The Uwharrie Lakes Region, rich in natural and cultural resources, already serves tourists from all over North Carolina and beyond."

20

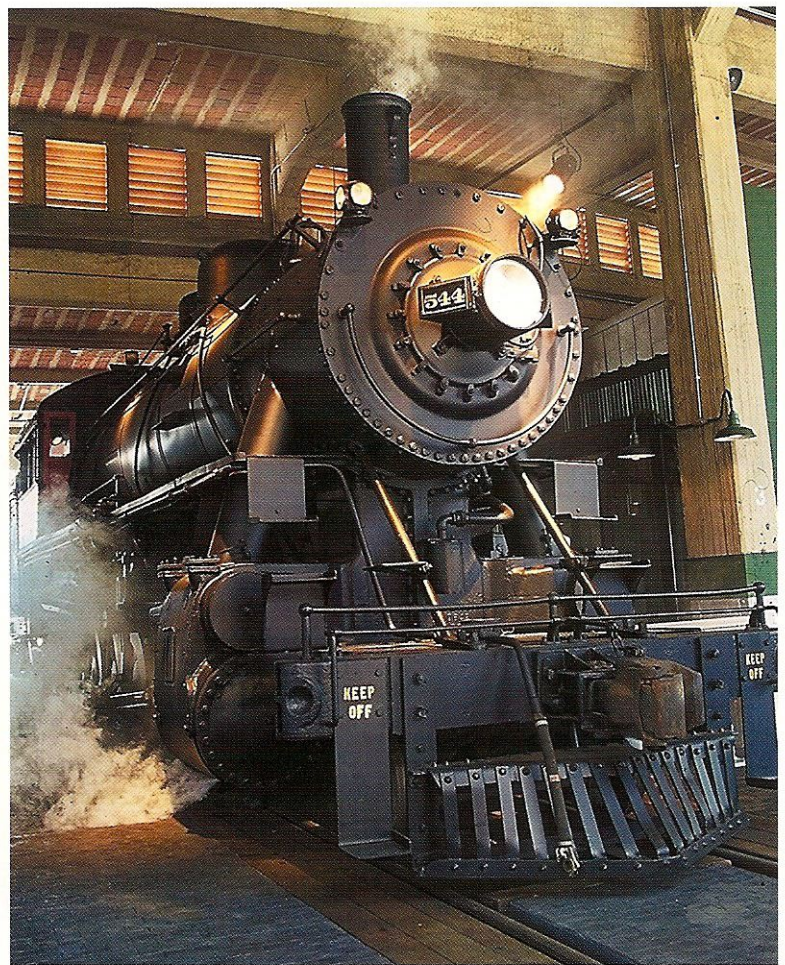
"Each county has many assets that draw or could draw tourists..."



© NC Division of Tourism



© NC Division of Tourism

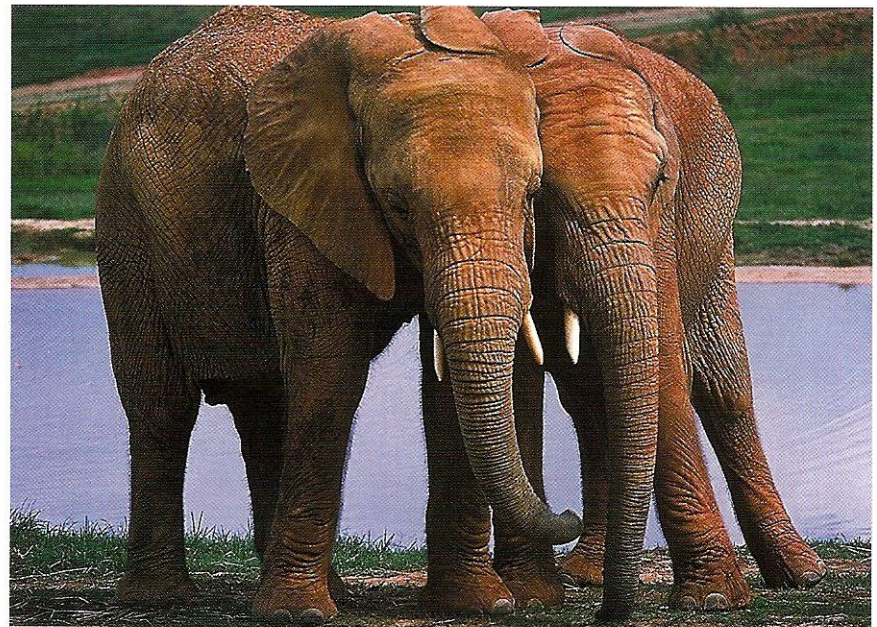


© NC Division of Tourism

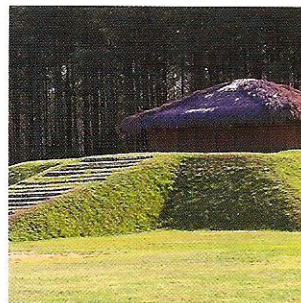
"Retired baby-boomers will have much more discretionary income, are better educated and are seeking more educational experiences than their parents."

The historic and bustling town of Salisbury in Rowan County is rich in history and culture and demonstrates the considerable effort that has gone into restoring and showcasing the town. Neighbor to Salisbury is the popular North Carolina Transportation Museum at Spencer which takes the visitor back to an era when steam trains were the preferred mode of long-distance travel. Davidson County is home to the towns of Lexington and Thomasville where people come from all over the country to purchase fine furniture. Randolph County's North Carolina Zoological Park, located in Asheboro, ranks among the best zoos in the country with an annual visitation of 700,000 people. Further south in the same county is the NC Pottery Center and the area Seagrove potters. The only nationally designated wilderness in the Piedmont – The Birkhead Wilderness Area, lies across the borders of Randolph and Montgomery Counties. In Stanly County, Morrow Mountain State Park is the larger of the region's two state parks, with an annual visitation of 295,000. The Park lies along Lake Tillery and Badin Lake. Town Creek Indian Mound in Montgomery County is the region's premier museum for Native American artifacts and hosts 100,000 visitors annually. The 46,390 acre Uwharrie National Forest lies primarily in Montgomery County. To the south, Richmond County's North Carolina Speedway attracts 250,000 visitors annually. Situated five miles north of Wadesboro along highway 52 in Anson County is the state's only inland wildlife refuge, the Pee Dee National Wildlife Refuge. It is an ideal area for birdwatching, hiking, fishing and hunting. In addition to these assets, the region is defined by the Yadkin-Pee

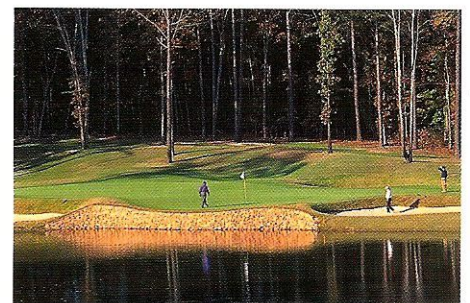
Dee River and a chain of six lakes (High Rock, Tuckertown, Falls, Badin, Tillery and Blewett Falls). A series of scenic byways traverse all seven counties. From the Rolling Kansas Byway in Stanly and the Uwharrie Scenic Road in Randolph to the Sandhills Scenic Drive in Montgomery and the Grassy Island Crossing in Anson and Richmond, visitors can discover a wealth of natural and cultural treasures.



© NC Division of Tourism

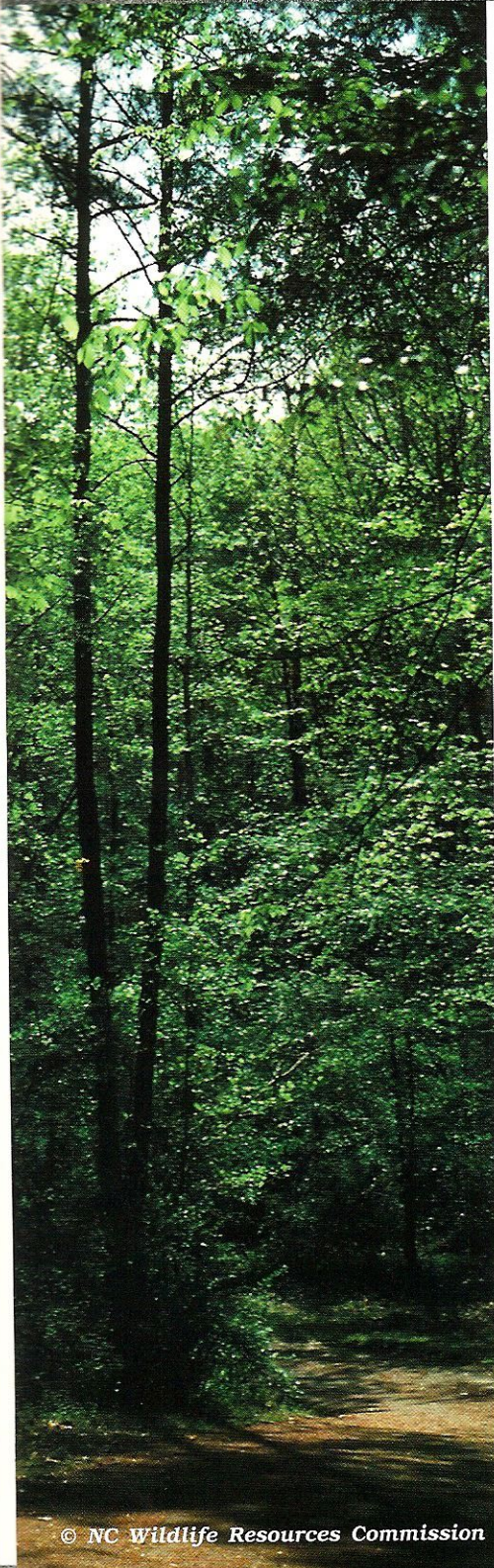


© NC Division of Tourism



© NC Division of Tourism

"Natural scenic countryside and opportunities for scenic driving and sightseeing are the most desired attractions..."



© NC Wildlife Resources Commission

Benefits of Protecting Open Spaces

- ◆ Open space saves taxpayers money because it requires little or no tax-supported infrastructure (sewer, water, roads, emergency services, schools, etc.)
- ◆ Farms and forests add more to the local tax base than they demand in services and are therefore net contributors.
- ◆ Open space in communities improves the quality of life which attracts higher quality jobs: an important factor in people's priorities, second only to education.
- ◆ Adjacent open space enhances property values.
- ◆ Recreation, parks and open space are the primary reason small business owners select the location for their business.

"Our primary resources are our rolling rural countryside, compact, small towns, lakes with natural shorelines, and abundant wildlife habitat."

"Sustainable" Tourism is the Most Appropriate Form of Tourism for the Uwharrie Lakes Region

Sustainable tourism relies on local people and entrepreneurship to create businesses that spread the benefits across all sections of the region and keeps the economic benefits within the region. It is developed from existing resources, acknowledges regional uniqueness and encourages the region to be who and what we really are.

Our primary resources are our rolling rural countryside, compact small towns, lakes with natural shorelines and public access, abundant wildlife habitat and long, scenic views.

At the Central Park Conference held in September 1999, speakers and attendees urged the region's leaders to:

- protect assets—natural, cultural, historic—so improving the quality of life for residents
- diversify the economic base through tourism development based on those existing assets

The dispersed nature of sustainable tourism imposes fewer impacts on the natural environment than do large-scale attractions and strip development. The need to maintain our resource base is critical to continuing tourism in the region. Numerous studies have tested the economics of preserving open space and controlling growth within cohesive communities. The taxpayer and local residents only win when development occurs where it is cost-effectively served by public utilities. Water and air quality are preserved through sound management of the natural habitat. Everybody

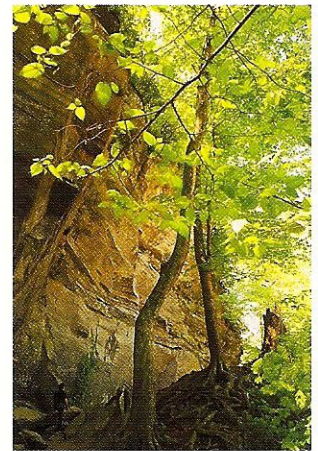
gains when public access is provided for all residents and visitors to recreate in near-by open space.

In 1998, the seven counties received around 4 million visitors who spent approximately \$304 million in direct expenditures while in the region. The indirect expenditures generated an estimated additional \$118 million totaling \$422 million for the year and supporting over 10,400 jobs. The UNC-C report *The Economic Impact of an Alternative Economic Development Strategy on the Central Park Region of North Carolina* presents two forecasts of the economic impacts of tourism through 2025. Although the region has experienced steady tourism growth, it is hampered by a lack of adequate and appropriate hospitality infrastructure. Much of the potential consumer market therefore remains untapped.

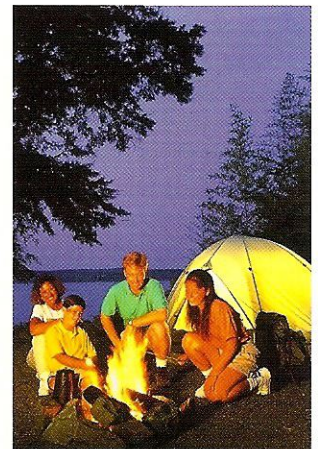
The ASU research revealed that 80% of current visitors to the Uwharrie Lakes Region arrive and depart the same day, usually enjoying only one of the region's attractions. The routine is to visit one place and then return home or go out of the region to spend the night or rest of the weekend. The two scenarios outlined below reveal the difference between the economics of tourism if left to continue as it is now (Benchmark) and how it might be if planned effort is put in to providing the resources, hospitality and experiences sought by the metro consumer.



© NC Division of Tourism



© Yadkin-Pee Dee Lakes Project



© NC Division of Tourism

Increasing the proportion of overnight visitors to the region by 20 percent would more than double tourism's economic impact by 2025.

Benchmark Forecast through 2025

If the Uwharrie Lakes Region does nothing different to promote and develop the region's tourism economy than past efforts, the region can expect the following by 2025 (based on a day visitor/overnight visitor ratio of 80/20):

- **6.2 million visitors per year**

These visitors will spend \$806 million annually in direct revenue, which will generate:

- **A further \$312 million in indirect and induced spending**
- **13,600 jobs in major tourist industries**
- **Plus 2,700 jobs created in other industries**

Of the 29,785 total **new** jobs expected to be created under this scenario between 1995 and 2025, 6,748 (22.7%) of those will be in tourism and tourism-related industries.

Alternative Forecast Through 2025

If the region emphasizes tourism development in county and regional economic development strategies, and if as a result tourism/visitor overnight stays increase from an 80 day/20 overnight ratio to 60 day/40 overnight, the region can expect the following by 2025:

- **The Central Park will be host to over 9.2 million visitors per year**

These visitors will spend \$2.1 billion in direct revenues with major tourism industries within the region generating :

- **A further \$800 million spent in other industries**
- **The Central Park region will then host over 35,000 jobs in the major tourism industries**
- **Plus 7,000 more jobs will be created in other industries**

The alternative forecast therefore generates an additional 25,700 jobs above the benchmark forecast, more than 50% of all new jobs expected to be created.

© NC Dept. Travel and Tourism

"The Alternative forecast generates an additional 25,700 jobs above the benchmark forecast, more than 50% of all new jobs expected to be created."

This alternative scenario sets a clear goal for the region. Reach a 60% day to 40% overnight visitor ratio by 2025, work towards creating the variety of new opportunities and infrastructure needed and package and market it aggressively.

Is it possible? Is there such demand?

The Baby Boomer market seeks variety and choice in shorter but more frequent vacations.

Over the next twenty years the primary market for tourism in the Uwharrie Lakes Region is anticipated to be the baby-boomers from the metro crescent and the active younger families with significant disposable income. Travel is an integral part of the boomer lifestyle. The tourism evaluation undertaken by ASU documented their desire for more frequent but shorter vacations. This underlines the importance and potential of the Uwharrie Lakes Region in providing outdoor recreation and heritage tourism opportunities within a two hour drive from the surrounding metro areas.

Likely Demand from Urban Piedmont Travelers

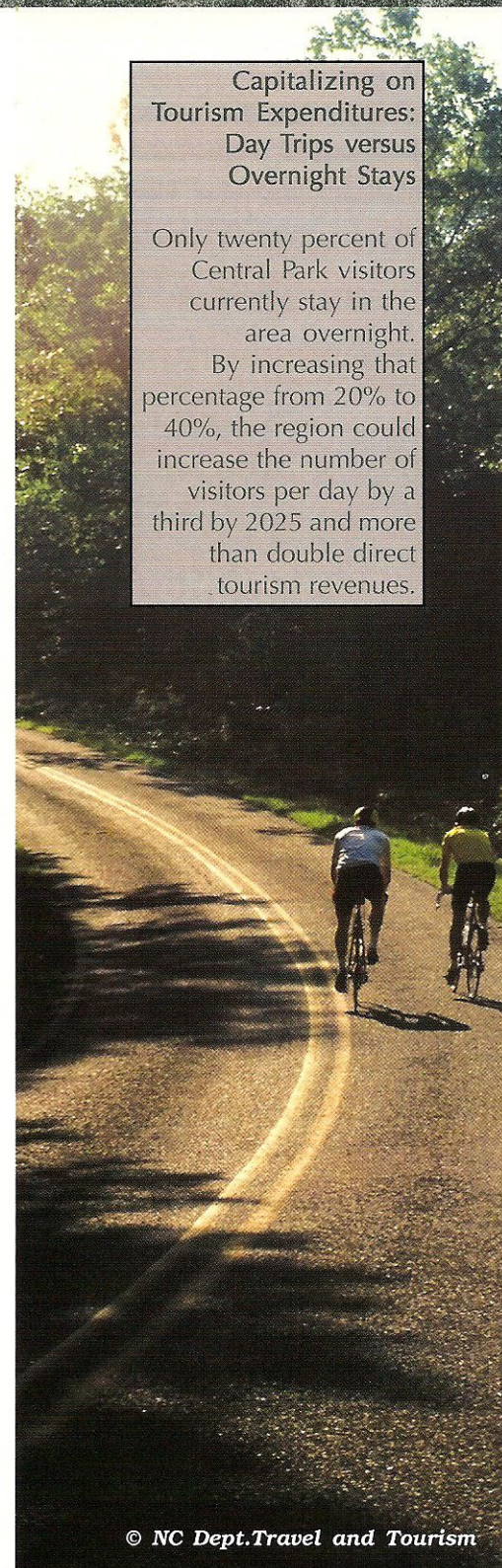
(based on the ASU survey of the percentage of households considering these options as important to them)

Weekend Trips (1-2 nights)	81%
Day Trips (no overnight stays)	66%
Mini-Vacation (3-6 nights)	61%
Week Long Vacation (3-6 nights)	41%
Extended Vacations (8 nights/longer)	16%

The economic impact of increasing overnight stays in the Lakes region is compelling. Visitors typically spend about \$50 each on their one-day visit. In contrast, overnight visitors spend \$80 to \$120 per day each for an average of 2.25, days leaving behind five times more money than a day visitor.

Capitalizing on Tourism Expenditures: Day Trips versus Overnight Stays

Only twenty percent of Central Park visitors currently stay in the area overnight. By increasing that percentage from 20% to 40%, the region could increase the number of visitors per day by a third by 2025 and more than double direct tourism revenues.



© NC Dept. Travel and Tourism

“The Central Park’s tourism potential can produce a job growth of 31.7% by 2025 that will for the first time exceed that of the likely state average (28.5%).”

– UNC-Charlotte

Leaving a Legacy



© Yadkin-Pee Dee Lakes Project

Two linked factors have more persuasive power than anything else:
the future of our economy and that of our grandchildren.

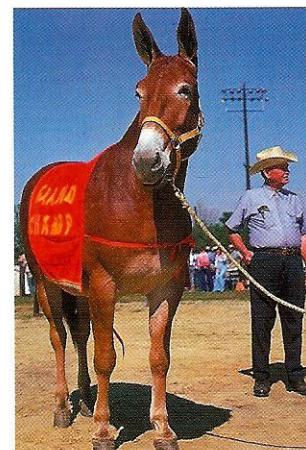
The Lack of Tourism Infrastructure is Hampering Tourism Growth and Income

The Uwharrie Lakes Region has what the boomer market wants—natural, cultural and heritage resources of considerable significance. However, the region lacks the full range of accommodations and supplemental attractions necessary to entertain visitors for longer stays. What it has, it does not package and market effectively at the present time.

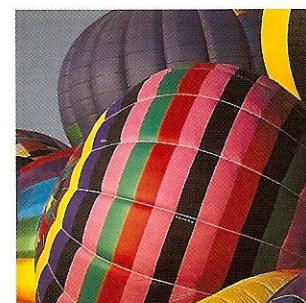
The challenge is to use our resources to develop educational and active experiences as part of an entertaining vacation and provide the convenience and coordination consumers seek and are willing to pay for. We must also develop a range of accommodation types and encourage the establishment of accommodations in more remote and scenic locations.

It is critical that these services are of a high quality, provide a variety of experiences and price and reflect the uniqueness of the Uwharrie Lakes Region, its history and its people. In their book, The Experience Economy, Joseph Pine and James Gilmore describe such “experiences” as the largest potential growth sector of the economy. *‘When a consumer buys an experience, he or she pays to spend time enjoying a series of memorable events that are ‘staged’ to engage them in a personal way.’* Tourism as a form of entertainment has always been about experiences. This is especially so of heritage and nature based tourism, which must be authentic and meaningful to each individual participant.

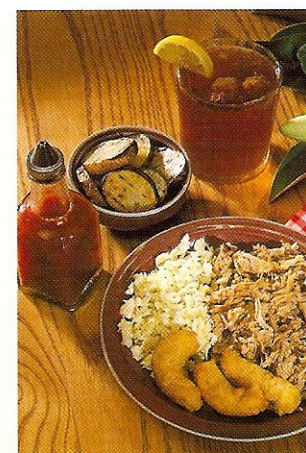
If tourism in the region is to reach its economic potential, a broad range of services including lodging, food service, entertainment, shopping and recreational businesses need to be developed in efficiently networked locations across the Region. These should be developed as entrepreneurial opportunities for local residents who are then more likely to provide unique, personal service to visitors of a standard which exceeds anything they receive elsewhere. Sole proprietorships in businesses such as outfitting, catering and spa/resort development also generate higher incomes and job satisfaction than low-paying service jobs in traditional franchises operated on behalf of remote ‘landlords’. It is often said that tourism only generates low paid jobs. Some low paid, low skill jobs will always be part of most industries, but the skills needed for most of these proposals will command good salaries, especially if we concentrate on providing a quality experience which people are willing to pay for. HandMade In America, a non-profit sustainable development organization established in 1993 in western North Carolina has reported an average annual 13% income increase for their artisans who mostly now operate as small businesses. The serious craftsman’s median income and that of a specialized service provider greatly exceeds the traditional tourism service income and contributes to a much higher quality of life.



© NC Division of Tourism



© NC Division of Tourism



© NC Division of Tourism

“...the region lacks the full range of accommodations and supplemental attractions necessary to entertain visitors for longer stays.”



© NC Wildlife Resources Commission

Capitalizing on Tourism Expenditures: Day Trips vs. Overnight Stays

Only twenty percent of Central Park visitors currently stay in the area overnight.

By increasing that percentage from 20% to 40%, the region could increase the number of visitors per day by a third by 2025 and more than double direct tourism revenues.

The Yadkin-Pee Dee Lakes Project is leading the first steps toward establishing sustainable tourism in the region.

The UNC-Charlotte report demonstrates the need to and advantages of *changing the day-visitor / overnight visitor ratio from 80/20 to 60/40 by 2025.*

The longer a visitor stays, the more money they spend. The Lakes Project and the community as a whole has two main charges: protecting the natural, cultural and historic resources of the region and; expanding the economic base by using those resources for sustainable tourism and recreation development.

The Project is focusing its resources in four main areas:

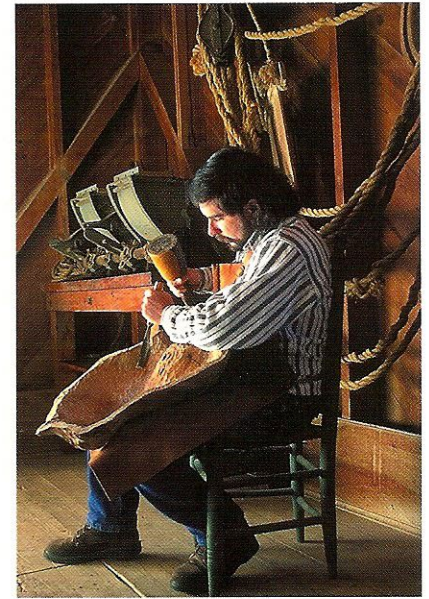
- I Identifying our assets, preserving them and encouraging sensitive planning and development around them
- II Regional recreation and tourism infrastructure development—encouraging networking and getting the region ready for visitors
- III Initial marketing and packaging and the creation of local pilot “Experiences”
- IV Small business development around these needs

Each of these includes a range of programs and projects from inventorying the existing places, developing tools and establishing the conditions to coordinate effort and focus it toward tourism, so creating a regional image and perception of the anticipated experience.

The best role for the Project is that of facilitator and regional coordinator. It will work to create and promote the Region as well as share activities across County lines. Although The Yadkin-Pee Dee Lakes Project cannot carry and implement the vision alone, the organization has identified a range of initial programs to jumpstart and demonstrate sustainable tourism.



© NC Division of Tourism



© NC Division of Tourism

"We need to identify our assets, preserve them and encourage sensitive planning around them."

What do we have that customers want?

I. Resource Preservation, Planning and Development

- Coordinated regional inventory and evaluation of natural and cultural heritage resources, land use, zoning, recreation facilities, etc.
- Information services, including economic data for local decision makers regarding development and resource use decisions
- Recreation and resource plan for the Federal Energy Regulatory Commission for the Uwharrie Lakes dams (FERC) relicensing negotiations
- Small Community development support
- Historic and Cultural Preservation
- Appropriate Real Estate development and recruitment of potential partners

II. Tourism Resource Development

- Inventory of existing and potential attractions and services. Inclusion of these in NC promotional materials
- Creating an image. Coordination of signage, 'visual' entranceways, tourist routes and information centers
- Interpretation of historic assets such as industrial, Native American, Deep River, National Forest and the Birkhead Wilderness Area
- Environmental Education Center at the Pee Dee National Wildlife Refuge
- Create and encourage more regional facilities/activities—bicycle route map, agri-tourism trail

© Yadkin-Pee Dee Lakes Project

“The decisions that local leaders make now will be critical to the long term economic success of the region.”

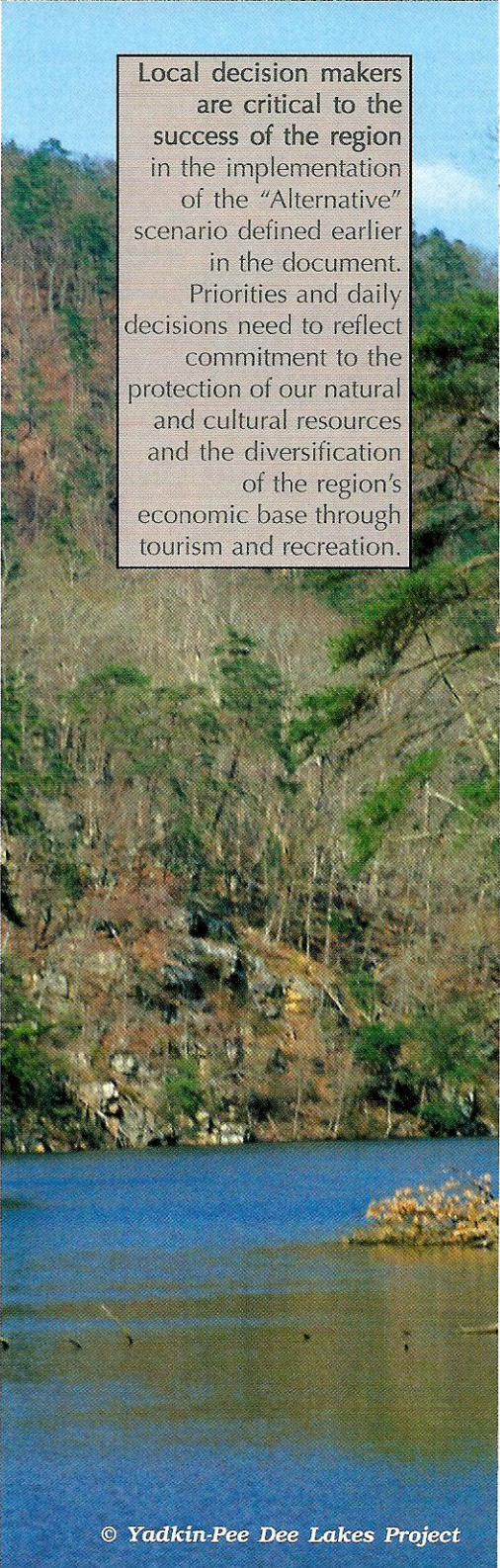
III. Visitor Experiences and Outreach

- Coordinate tourism efforts across county lines
- Assist counties who have no tourism staff
- Develop “Uwharrie Safari” custom vacation packages
- Generate and distribute regional marketing materials
- Create a regional reservation service

IV. Small Tourism Business Development with Regional Partners

Information and support services for:

- Home hospitality (accommodations) development
- Local cuisine opportunities
- Guide and outfitter services
- Agri-tourism enterprises



Local decision makers are critical to the success of the region in the implementation of the “Alternative” scenario defined earlier in the document. Priorities and daily decisions need to reflect commitment to the protection of our natural and cultural resources and the diversification of the region’s economic base through tourism and recreation.

© Yadkin-Pee Dee Lakes Project

The best role for the Project is that of *facilitator and regional coordinator.*

Relief From the Big City



© Phil Rhyne

“Sustainable recreation/tourism relies on local resources and entrepreneurship to create local benefits.”

The role of local decision-makers in the adoption and implementation of the Central Park strategy cannot be over-emphasized. Policy decisions made now on the use of resources—financial, land, human—at the County and local community level will determine the Region's economic success well into the future. Poor planning decisions will compromise the Region's potential. Over half our new jobs and the quality of our environment in the broadest sense of that word depend on it. Establishing these policies is not going to be easy, because they require changes in attitudes and perception. They will demand long-term investment with perhaps, delayed returns. Such changes also mean acting together as a region. Our counties acting alone are not large enough to provide our prime customers with sufficient choice. They will look at us as a whole, not as separate entities.



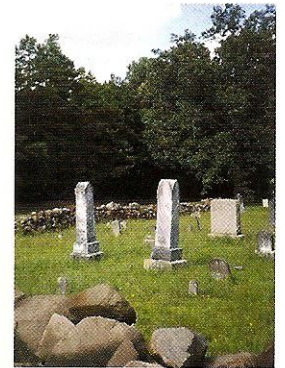
© Phil Rhyne



© NC Wildlife Resources Commission

The Central Park strategy is a long-term one, but the region, particularly its northern counties, do not have much time left before urban and rural sprawling development overtakes them. It is up to the people that live in the small towns and among the hills, farmland, forest and historic treasures of the Uwharrie Lakes Region to act now with determination and foresight in establishing their desired course for the future.

Once natural and historic resources are lost to development they cannot be reclaimed. Asset preservation and careful planning in the next five years aimed at ensuring growth that is appropriate, will greatly enhance the economic potential of the region and retain choice for future generations. Such actions should encourage tourism business development and improve the quality of life, thus also enabling recruitment of eco-friendly businesses with further professional and higher-paying jobs.



© Yadkin-Pee Dee Lakes Project

“Sustainable tourism development must be a regional, cross countyline decision with the Central Park vision guiding local decision making.”

Implementing the Central Park Vision



© Phil Rhyne

Critical priorities that must guide local and regional decisions if the Central Park scenario is to succeed:

Support for existing small town development patterns

- Create communities (physical and social) rather than 'developments'
- Encourage traditional architecture, street patterns, walkable commercial centers and downtowns
- Ensure the economic vitality of existing small communities before allowing stand alone or strip commercial and residential development
- Support local festivals and beautification efforts
- Set aside monies for public open space
- Support master planning and creation of definitive town images and boundaries
- Encourage historic preservation and rehabilitation efforts

Emphasis on increasing residents' "Quality of Life"

- Adopt long term "quality of life" values as the economic driving force
- Use aesthetics as a critical consideration in development type, style and location
- Ensure a natural, rural image for the region along major roads and at access points
- Expand leisure and recreational facilities: trails, water access, picnic areas, etc.
- Continue the focus on quality public education
- Encourage a range of housing, economic and cultural opportunities
- Evaluate development proposals for impacts on the natural environment and human health

"The need for outdoor recreation is growing: the Uwharrie lakes region is surrounded by an expanding urban consumer base."

Commitment to improving environmental quality

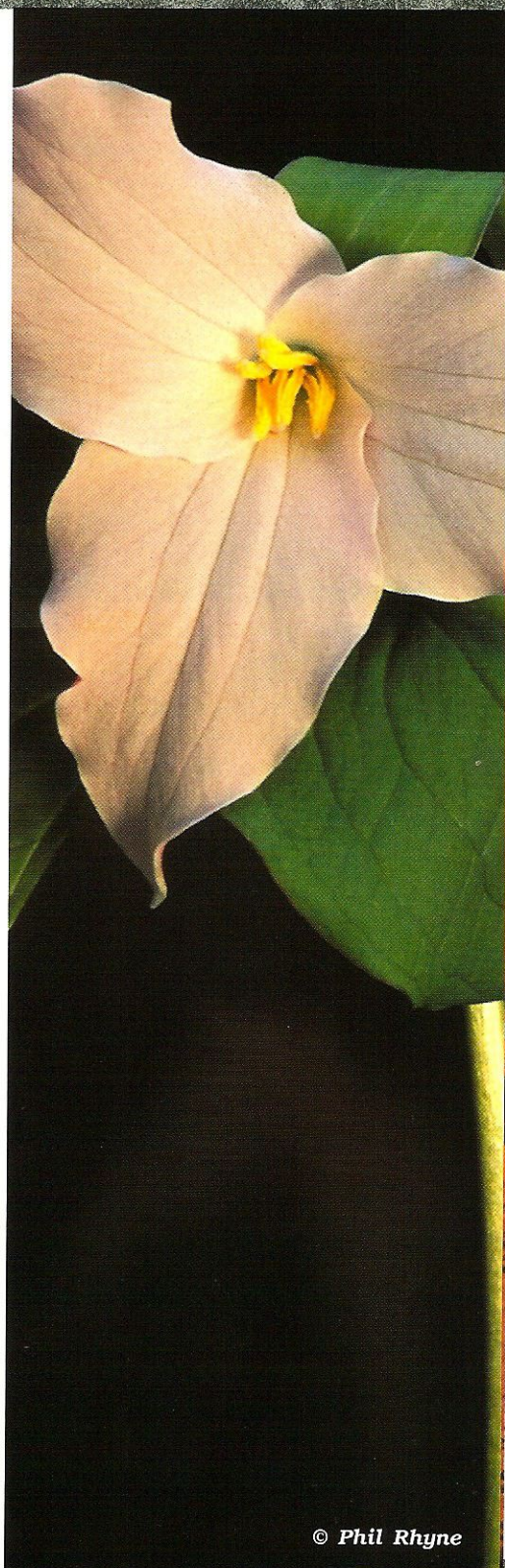
- Insist on high water quality of rivers and lakes— infrastructure improvements and requirements, control of development around critical watersheds
- Encourage management of forest and shoreline development for biological diversity, public access enjoyment and aesthetics
- Create land use guidelines for growth that are complimentary to the region's existing/desired character
- Identify funding for preservation of critical open spaces and viewsheds
- Recruit industry that compliments the aesthetics and the natural resource base
- Encourage preservation and interpretation of historic buildings and sites
- Provide informative signage that projects a positive and consistent image of the region

Designation of resources to support small business development

- Find funds and energy for small business development, particularly tourism/recreation related
- Facilitate appropriate, small tourism businesses with zoning, licensing, and essential regulations
- Provide access to local financing and small business technical support
- Assist in the establishment of new training opportunities

Tax Structure that reflects and captures the benefits from industries other than manufacturing

- Tax structures that capture the benefits of tourism recreation expenditures
- Tax structures that reflect the real, total cost of development (housing or commercial) and which does not compromise environmental integrity
- Tax structures that only allow development where a 'net' tax inflow to the community can be clearly demonstrated



© Phil Rhyne

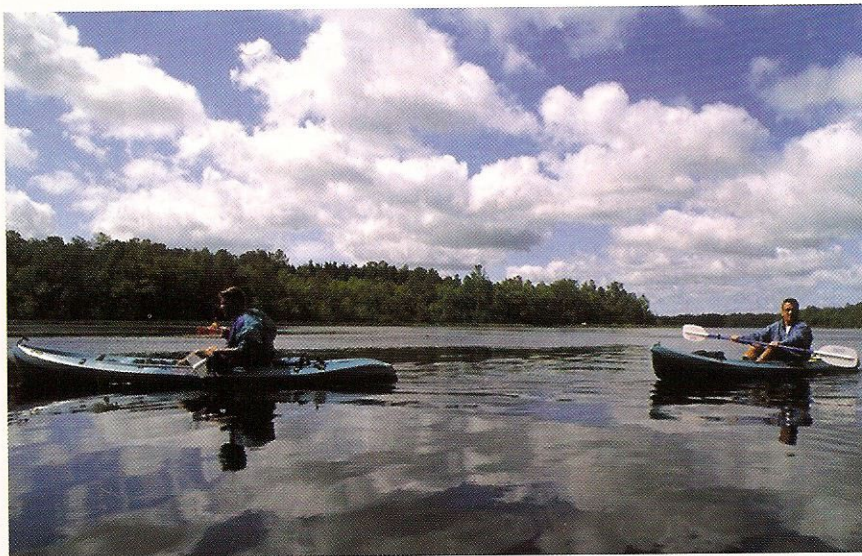
"The market is ripe for entrepreneurs, land owners, banks and many others to take advantage of the demand for sustainable tourism."

Implementing the Central Park Vision.



© Yadkin-Pee Dee Lakes Project

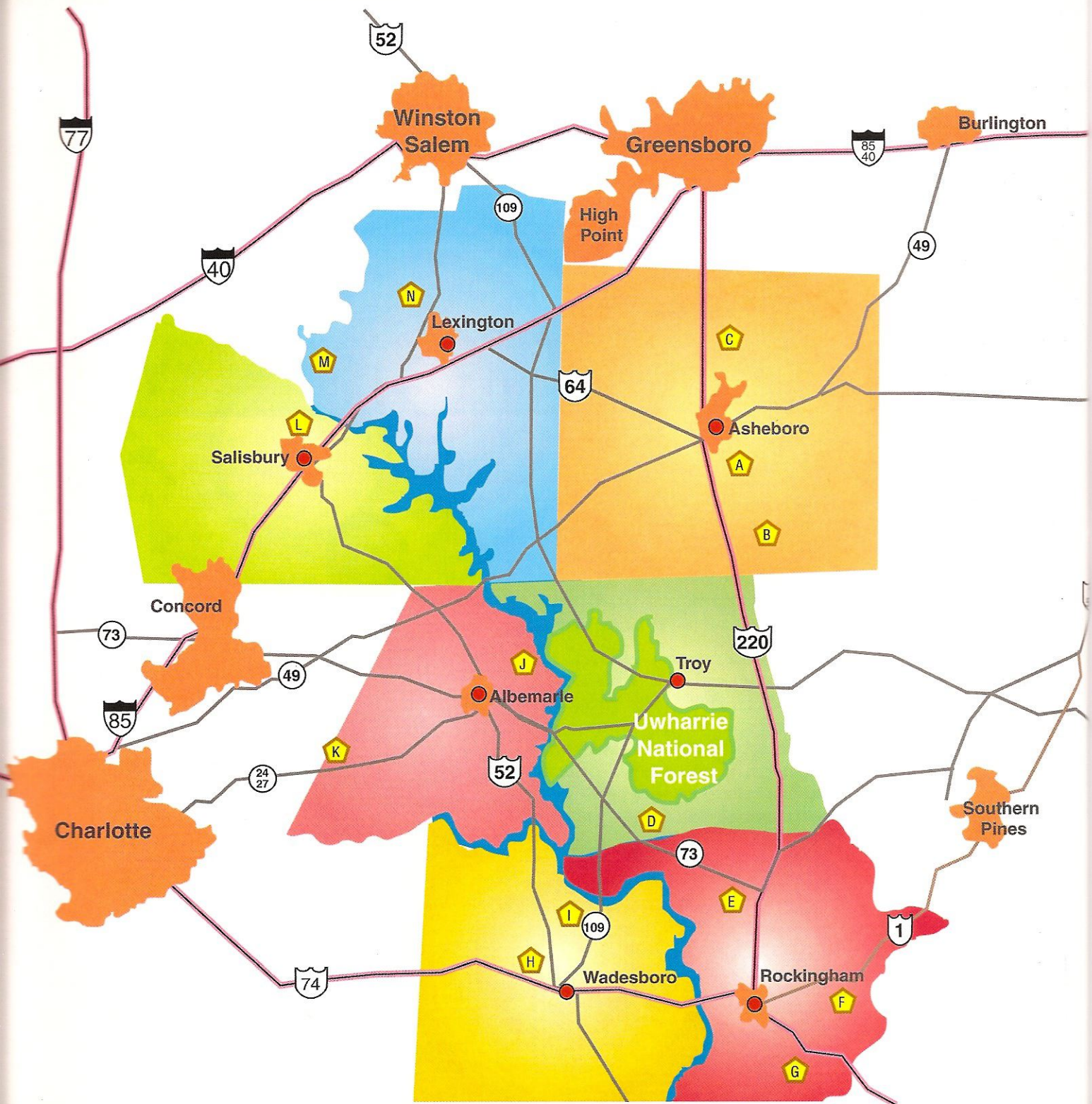
Investing in sustainable tourism for the region's future will not only benefit the economy and help preserve an essentially rural quality of life, it is also very good business for local banks and community investors. A community's quality of life and access to outdoor recreation and cultural assets are increasingly guiding employer's decisions about where to locate businesses. Tourism and the need for outdoor recreation is growing. The Uwharrie Lakes Region is surrounded by an expanding urban consumer base that is increasingly seeking access to unique and authentic experiences. The market is ripe for entrepreneurs, landowners and many others in the region to take advantage of the demand for sustainable tourism. Conditions are ideal for the Uwharrie Lakes Region to be a model for rural North Carolina into the next century. Do we, as the region's leaders, have the courage, vision and foresight to make it happen?



© NC Dept. Travel and Tourism

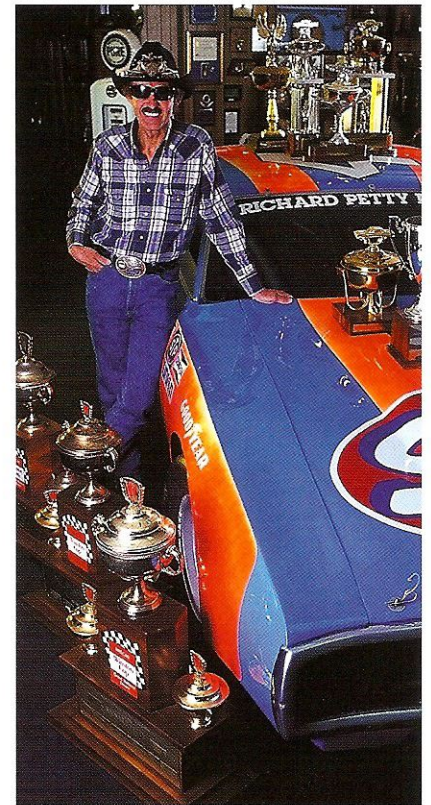
Do we, as the region's leaders,
have the courage, vision and foresight
to make it happen?



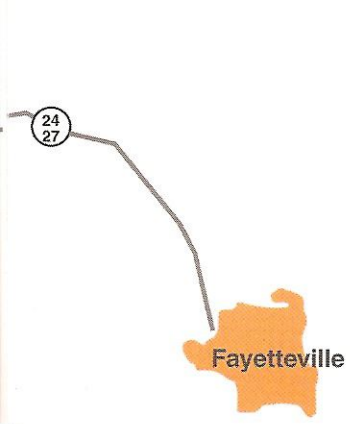




- A** North Carolina Zoological Park
- B** Seagrove Potters
- C** Richard Petty Museum
- D** Town Creek Indian Mound
- E** Rankin Museum
- F** NC Motor Speedway
- G** National Railroad Museum
- H** Historic Wadesboro
- I** PeeDee Wildlife Refuge
- J** Morrow Mountain State Park
- K** Reed Gold Mine
- L** Transportation Museum
- M** Boone Cave State Park
- N** Lexington BBQ Festival



© NC Division of Tourism



© NC Division of Tourism

Acknowledgments:

Written by David Jones and Ann Liebenstein
with the assistance of Steve Spratt,
Michele Ackerman and Jennifer Hicks

Designed by Marc and Victoria Sylvestre at
Black Cat Graphics (919) 542-7038
www.black-cat-graphics.com

The Publication of this report was part
funded by SouthTrust Bank

The following also provided valuable advice, research, information and other assistance:

NC Dept. of Commerce, Travel and Tourism Division
(Mariann Dellerba)

NC Wildlife Resources Commission (Melissa McGaw)

Lexington Barbecue Festival, Lexington

North Carolina Transportation Museum, Spencer

Southern Living, Research Division, Atlanta, GA

Waterfront Properties, Denton

Town Creek Indian Mound, Mt. Gilead

Dan Kidd	Elvan Kayral
Clegg Mabry	Tim McCree
Chester Lowder	Caleb K. Miles
Bob Jordan	Judith G. Newman
Kenneth Peacock	Becky Stoddard
Lara Potempa	Christy Stoner
Rhyne	

The following also provided valuable advice, research, information and other assistance:

Becky Anderson

Badin Lake Realty, Denton

Roger Calloway

Carolina Realty on Lake Tillery, Denton

Alex Cousins

Crescent Resources, Inc., Charlotte

Comfort Inn, Asheboro

Ron Davis

Roger Dick

Matthew Ellis

Ann and Ron Fay

Daniel Green

Donna Ghoens

Hampton Inn, Asheboro

Sandy Hicks

Brenda Hindman

Much of the data summarized in the report is
extracted from two earlier publications (1999),
commissioned by the Yadkin-Pee Dee Lakes Project.

1. North Carolina's Central Park-
Assessing Tourism and Outdoor Recreation in
the Uwharrie Lakes Region. Drs. Michael Evans,
Dinesh Dave, Don Cox, Wayne Williams and
Paul Gaskill. The Walker College of Business, and
Appalachian State University.
2. The Economic Impact of an Alternative
Economic Development Strategy on the Central
Park Region of North Carolina. Drs. John
Connaughton and Rob Roy McGregor. The
Belk College of Business Administration
UNC-Charlotte.

**Copies of the detailed research underlying this report
(price \$50) can be obtained from:**

The Yadkin-Pee Dee Lakes Project
P.O. Box 338
Badin, NC 28009
(704) 422-3215
www.lakesproject.org