Redevelopment Potential of the Central State Hospital Property: A Strategic Analysis

The Counselors of Real Estate Consulting Corps
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Executive Summary

Arguably, there are two Milledgevilles—the one to the north and the one to the south. The northern part of the community includes three colleges, city and county governments, and commercial and residential developments that have grown up to support them. The other Milledgeville is on the south side of Milledgeville. Historically, this area developed as a bedroom community to the Central State Hospital, albeit one within walking distance. Surrounding the hospital property is a community of single family homes—mostly wood-framed cottages and bungalows—and clusters of mobile homes. Several churches, a community center, and various small businesses are located within these neighborhoods, and small businesses and commercial uses have developed along Vinson Highway, Swint Avenue and Irwinton Road. One of the challenges to the redevelopment of the Central State property is linking the north and south sides of Milledgeville by creating a more attractive connection via Swint Avenue and Vinson Highway.

For many years, Central State Hospital (CSH) was the largest employer in central Georgia. During the 1960s, the hospital served 12,000 patients. In the following decades, its population began to decrease due to a societal emphasis on deinstitutionalization. In 2010, the state of Georgia reached a settlement with the US Department of Justice to close the hospital and relocate the remaining patients into community settings. The last state-run nursing facility on the property—the Craig Center—will close in 2014. As the patient population declined, the Georgia Department of Corrections reclaimed a number of buildings on the southern side of the campus and retrofitted them as prisons between 1978 and 1981, operating five correctional facilities housing as many as 4,000 inmates. The prisons were phased out between 2008 and 2010, for the most part scattering both prisoners and employees to other facilities in Georgia. Today there are two correctional facilities still operating on the Central State Hospital property.

An impediment to increasing employment is the low education levels of many of the people who lost their government and manufacturing jobs. Positions at the state hospital and state prisons included a large number of personal care workers and maintenance staff. In fact, the availability of such jobs probably contributed to the high school dropout rate, encouraging young people to go to work sooner rather than later. At this point, the low graduation rate has become endemic. Baldwin County public schools have a graduation rate of 62.8%, compared to 69.7% for the state of Georgia. The percentage of individuals without a high school diploma is about the same as the percentage of individuals with a bachelor’s degree, and both of these measures lag the state of Georgia and the nation as a whole.

The closest interstate highway is 40 miles and one hour north in Madison. The Fall Line Freeway is a four-lane highway that extends 215 miles, linking Columbus, Macon and Augusta. The section between Macon and Route 441 is set to open soon, and will provide a faster link to I-75 and to the port of Savannah. The new road is significant because it provides a direct route
to the Central State property; CSH is three miles north of an interchange with the Fall Line Freeway.

The newest addition to Milledgeville’s transportation infrastructure—albeit a pedestrian route—is the Greenway located just east of downtown. This first phase of the Oconee River Greenway includes two loop trails along the banks of the river between Hancock Street and Fishing Creek. The long-term plan will extend the trail north to Lake Sinclair and south to Wilkinson County. A southern extension will bring the trail onto the Central State property and its 1.8 miles of riverfront.

The quality and size of Milledgeville’s universities are unique for a city of its size. Many larger towns and cities would covet having just one of these schools located in their community. In addition to students who add substantially to Milledgeville’s economic base, the ability to tap into the talent of the faculty, staff and students is limitless.

The City itself offers a unique history that rivals Augusta, Savannah, and Columbus. The history and level of historical preservation offers another facet to visitors, residents, and businesses that should be exploited in the redevelopment of the CSH site. The mix of students, recent graduates, and current residents are a ripe breeding ground for entrepreneurial ventures that could propel economic growth organically.

While there may be differences regarding execution of the redevelopment plan, there is broad consensus concerning the final objective: jobs. For decades (and possibly more than a century) Milledgeville enjoyed isolation from economic swings. As the state capitol until 1869 and the site of the world’s largest state hospital, from 1842 to the 1990’s, Milledgeville was insulated from macro and micro economic swings. With the demise of the hospital, and subsequent prison closures, the City is suffering its first sever economic recession. This experience has had a galvanizing effect on the community, uniting many stakeholders in an effort to address this issue. This may be the community’s greatest strength. While the tactics and methods to achieve this goal may vary among stakeholders, the final objective is the same. The CSH site could be the first rally point to build consensus around the execution of a tangible plan to achieve job growth. We recommend the Central State Hospital Local Redevelopment Authority (CSHLRA) use this consensus first to develop a strategic plan that all stakeholders support, then to execute that plan; especially when there are difficult decisions to be made.

The nature of the past land uses (prisons, hospitals, etc.) facilitates a vast campus that encompasses diverse sections of land. Much of the site is forested with several miles of scenic river frontage. These attributes should be considered a resource that can be exploited for a myriad of uses to complement development. We recommend the CSHLRA take care to preserve and work with the scenic nature of the property. The site benefits from 1.8 miles of river frontage along the Oconee River, as well as several smaller lakes on the property. While the area enjoys access to and developable lake frontage north of Milledgeville, there is very little developed river frontage to the south of the City. We believe this is an untapped resource that should be integral to the development plan for the City. Water frontage this close to a city the
size of Milledgeville could be exploited with new housing, hospitality, and convention facilities, if properly incorporated into a strategic plan.

The construction of the 215-mile Fall Line Freeway will result in a new entrance to the city from the south side for travelers driving there from Macon to Augusta, Georgia. Visitors and commerce from Savannah, Charleston, Jacksonville, Tallahassee, and even Montgomery will no longer be required to enter the City from the north on SH 49 or SH 22. When access to markets shifts, commerce adapts to the change—resulting in land use, development and even political changes. With the incorporation of all State-owned land, the CSHLRA will have frontages along SH 112, SH 243, IH-441 and the Fall Line Freeway, making it the southern gateway to the City.

One of the most pleasant surprises uncovered during the CRE interviewing process was learning that water quality and distribution capacity was exceedingly high and robust. We commend the CSH site engineering staff for their contribution in recent years to the upgrades made to the existing water, sewer, electrical, natural gas, and cable infrastructure. Redevelopment projects of expansive sites usually stall for lack of adequate infrastructure and/or the community’s inability or unwillingness to upgrade them. In this instance it appears it will not be an issue in the developed portions of the site.

The State and Milledgeville are fortunate to have strong leadership in place to support, design and implement the redevelopment of CSH site. Many redevelopment organizations around the country languish because leadership is inexperienced or unskilled at performing these types of redevelopment efforts. Fortunately, Mike Couch and his staff afford CSHLRA the experience and credibility with investors, lenders, and state and local governments necessary to move the redevelopment effort forward.

As large as the CSH site is, it suffers from relative anonymity in the public eye. Some stakeholders interviewed knew less about the project than the interviewers. This situation could result in anemic support or limited consensus around a redevelopment planning and implementation effort.

While the utility infrastructure appears to be in excellent condition, the above-ground structures suffer from functional obsolescence and physical deterioration. In some cases, some buildings may have value if an appropriate user can be found to renovate the structure, assuming it makes financial sense to do so. However, many of the structures have become a maintenance drain and ultimately a liability to the CSHLRA. Furthermore, the current cost to maintain these structures is expensive, adding additional risk to the State’s financial support.

The specter of poor public primary schools in Milledgeville is a weakness that cannot be quickly overcome. Rather, it will require time and effort to work with communities, faith-based organizations, and other stakeholders to begin the process of change. The most significant impact will be felt by those companies considering expansion or relocation to the CSH site.
While many government facilities have structures that can be adapted to related uses, many of the prison and other obsolete facilities are so unique that they cannot be adapted for similar uses, and adaptive reuse may be not be financially feasible.

The ability to successfully redevelop any site is directly tied to access to discretionary funding. The operating budget for the CSHLRA is approximately $200,000, barely enough to maintain two salaries and support services. There is no funding for advertising, engineering, professional services, etc., which are all necessary for any redevelopment program.

The primary access between the Central Business District and the CSH site is via Swint Avenue and Vinson Highway. Both traverse through moderately unsightly parts of the City and don’t lend themselves well to redevelopment efforts. The CSHLRA could work with the City and County to establish a management district that extends along both thoroughfares, affording them the ability to landscape, enhance and possibly acquire properties along both roads.

Milledgeville’s economic base has been driven and sustained by the State of Georgia for decades. During CRE interviews with stakeholders, it seemed clear the State supports the community and its desire to work with the State to use the CSH site to reverse negative economic trends. Even though it is centrally located in the State, competing State-sponsored land developments offer locations that are superior. To mitigate locational weaknesses, we recommend the CSHLRA petition the Governor’s office with a proposal to offer unique incentives (taxes, development financing, grants, etc.) for business to relocate from other countries or states to Milledgeville.

Milledgeville has a rich history and heritage. Communities in other parts of Georgia have done an excellent job of exploiting similar attributes. Milledgeville’s greenway and park system could be augmented greatly by expanding into the CSH site. The site’s 1.8 miles of frontage along the Oconee River could be tied into the community’s current park and trail system. Furthermore the Bartram Forest is within city limits, and portions of the forest could easily be incorporated into a development plan for green space and park land.

It was encouraging and refreshing to see so many young professionals taking an interest in the CSH site effort. It is clear there are a significant number of very bright and highly motivated individuals desirous of seeing the status quo changed, promoting employment and economic growth in the community. With three universities, the area houses a massive amount of pent-up capacity and energy that the community, and specifically CSHLRA, should engage to support its redevelopment efforts.

We recommend that CSHLRA establish a student, alumni, and young professional advisory board, with action teams designated to pursue specific initiatives (perhaps some of which we have already identified). This would encourage students and small business to take an active role in reversing the current economic trend in the Milledgeville area, enhance community loyalty, provide entrepreneurial career path options, and assist in growing the economic base from within.
While students and young professionals are an untapped resource, established residents and retirees are an underutilized asset. The established population can become a powerful lobbying force, providing influence as well as energy to the CSH site redevelopment process. A rallying point for any community is its local religious institutions. Church leadership can rally its members in ways the CSHLRA may not be able to match. They can be a bridge into the disenfranchised and most adversely affected parts of the community, and instill support, community pride, and provide influence to the CSH site redevelopment effort.

The CSH site redevelopment and CSHLRA currently enjoy strong political support and sponsorship at the state level. However, political support is political, and therefore always subject to the budgetary whims of the State Assembly. With caretaker costs in excess of $15M, a budget strapped state government could view CSH as an easy budget cutting target.

During the interview process we encountered a wide range of perspectives from stakeholders. Some were engaged and enthusiastic about the prospect of seeing economic and community growth through the redevelopment of the site. Others knew very little about the site, its past economic impact, and its potential for economic development of the community and the region. This threat may be the greatest challenge for the successful redevelopment of the community. A common lament was the quality of schools and healthcare in Milledgeville. University presidents reported it was difficult to attract qualified staff to the community, once candidates examine local school system scores and ratings. Still others suggested the hospital system was lacking the level of competency needed to support the community. Sadly, education and healthcare deficiencies are usually systemic and difficult to repair quickly, requiring time to correct.

We opine that recreational tourism, sporting events, festivals and conferences should be part of any business plan as they capitalize on the area’s outdoor beauty and existing infrastructure.

One criterion that CRE heard repeatedly during the course of this study was that success must be measured in terms of jobs, and that one new job is better than none. Conferences, events and tourism will provide jobs and enhance existing businesses, particularly those service providers that comprise so much of the local economy. Whether an equestrian center, conference facility, water park, or trails through the forest, it is important to engage the entire community in the endeavor, to create opportunities to bring visitors into the community, and to bring the community to the CSH site.

We focused on bicycle tourism because the idea came up several times during stakeholder meetings, and because bicycle tourism is uniquely suited to Milledgeville and Baldwin County. “Hills and holes” was one person’s description of the topography—ideal for all sorts of trails. The climate and topography—coupled with acres of forestland and miles of riverfront—are well-suited to outdoor recreation. Georgia has its own BRAG—the annual 400-mile Bicycle Ride across Georgia, now in its 35th year. The next event will take place in 2015. The last time that the annual event passed through Milledgeville was in 2011.
Our primary focus was on the existing buildings, which varied from a new, modern hospital facility to hollowed-out shells of old buildings, long past the end of their useful lives. Architecturally, many buildings were quite attractive, with fine ornamental detailing rarely found in modern structures. However, there was also a significant percentage of buildings that were dated and unattractive, if not eerie. All of the prison facilities fell into the latter category, as did many of the former hospital wards. These were designed specifically for community service uses, and many of these design characteristics do not lend themselves well to repurposing or redevelopment. The CSH campus is of course quite large, and could potentially be expanded further by incorporating the state-owned Bartram State Forest property located along the campus’ south line. A larger site would enable the addition of more land uses to be considered in our evaluation.

There are over 200 buildings located on the CSH campus, and the vast majority of them are at least 50 years old—with many 100 years or older. While we were unable to visit every building, CRE team members inspected several buildings in the Historic Quad, since these were considered to offer the most architectural interest and historical value. Most buildings are either unused or underutilized; as a result many exhibit evidence of water damage and other forms of deterioration which will eventually render them unusable. The type of maintenance required to protect these buildings (roof repairs, exterior painting and moisture control through HVAC operation) is expensive, and funding is limited. Importantly, many buildings were originally designed for uses that do not lend themselves well to redevelopment. For instance, prison buildings are typically uninviting in terms of appearance with interior walls constructed to prevent prisoners from escaping. Similarly, hospitals and long-term care facilities are typically difficult to redevelop due to their smaller rooms and wide hallways required for patient care and traffic flow.

While the maintenance staff and administration have unquestionably done a remarkable job in maintaining the buildings and campus infrastructure, they have had to make difficult decisions in terms of deciding which few buildings to repair and/or upgrade, unfortunately leaving many of the other buildings without much-needed maintenance.

There is a risk that at some point, the State of Georgia will feel compelled to cut funding for maintenance of an unused facility. At that point, the CSHLRA will find itself in a position of having severely limited options, including the inability to use even the most valuable and historic buildings. Fortunately, the development authority is reported to be viewed positively by the current administration at the state government level, but as circumstances and relationships change, we believe that the CSHLRA needs to proactively anticipate issues with continued funding, develop a plan that will maximize the attractiveness of the campus to both employers and outside investors, and begin to reduce the state’s financial burden of maintaining the property. The majority of the existing buildings (with particular focus on those that are not currently being utilized) should be evaluated and “triaged.”
The maintenance of the Historic Quad portion of the campus will provide an identity for the overall project, and can be used to position the redevelopment in a favorable fashion with potential tenants and employers. Therefore, every effort should be made to maintain the structures which are significant historically and architecturally in the area around the Historic Quad, and demolish and remove the structures that cannot be saved as soon as possible. Outside the Historic Quad, focus on buildings that have significance both historically and architecturally with a likelihood of being leased or sold in the near future without requiring a significant investment in redevelopment. Determine which of the other newer buildings can be sold and/or re-purposed, and develop a strategy for the marketing those buildings.

Access to utilities is often a constraining factor in the use of properties such as the subject. However, our review of the availability of sewer, water and electrical service indicates that the utility infrastructure is not only in excellent condition, but is surplus available capacity for a significant amount of additional development. It will likely be a long time before any lack of utilities places constraints on additional development on the campus.

Any redevelopment plan for the campus will ultimately require rezoning of the entire property in accordance with a new Master Plan. Because of the extended absorption period likely required for a property of this size, any new zoning ordinances should be as flexible as possible to allow for rapid responses to new opportunities, while creating zones for compatible development.

One of the more pleasant surprises of our visit was seeing how attractive the Oconee River is, and how much river frontage the CSH campus enjoys. As the property is on the outside of a large bend in the Oconee River, it is on the high side of the river, and as such is subject to minimal flooding. This allows the river frontage to be readily developed for a number of uses, as well as for a significant amount of riverfront and river view property. This is a significant asset and one that needs to be developed pursuant to its own separate master plan to maximize the property’s value and contribution to the community. While the Oconee River is no longer a primary linkage for the CSH campus to the rest of the state, it can provide a valuable linkage to the City of Milledgeville if the Oconee River Greenway is extended to the south and incorporated into the portion of the campus adjacent to the river, thus tying into any parks or recreational areas developed on site. The City of Milledgeville recently completed a park and trail system along the west bank of the Oconee River, and serious consideration should be given to connecting and extending that trail to the CSH campus. CRE believes that such a trail extension would be a critical first step in reviving the neighborhoods to the south of Milledgeville, while providing access to significant recreational and entertainment opportunities for the CSH campus in the future.

One of the primary constraints to the further development of the CSH campus is the lack of direct Interstate highway or rail access. Without one or both, employers requiring significant volumes of physical inputs in a manufacturing process, or highway access to distribute goods throughout the United States, would generally not consider the project to be a viable option.
The Fall Line Freeway, currently under construction to the south of the campus, will change that. It intersects the Carl Vinson Highway only three miles to the south of our proposed new entrance to the Central State Hospital campus. This four-lane arterial is projected to eventually link the cities of Columbus and Augusta, and will provide the areas to the south of downtown Milledgeville (including Central State Hospital) excellent access to the Interstate Highway system. When combined with several existing and proposed north-south highways in the immediate area, development of some portion of the southern half of the CSH campus for distribution or manufacturing becomes a highly viable option.

Any opportunity to directly connect to US 441 to the west should be considered carefully. Additional direct connection to a primary north-south arterial street will provide much-needed direct access to the CSH campus, as well as the Oconee River, significantly increasing the viability of new development in the area. The “front door” to the campus should be relocated from Swint Avenue to the intersection of Broad Street and the Carl Vinson Highway, reflective of the fact that the portion of the campus to the east of Carl Vinson Highway will be developed separately and differently than the portion on which the existing CSH is located. It will permit the CSHLRA to take advantage of the fact that the Fall Line Freeway will eventually significantly increase thru traffic on Carl Vinson Highway.

To maintain maximum flexibility for future opportunities, set everything east of the Carl Vinson Highway aside for the time being; demolish the old single-family housing, and don’t replace it; pursue connectivity with the Oconee River Greenway; rezone the property to maximize flexibility; and select a location to create a clear line of sight from the Carl Vinson Highway to the river so that people driving by or visiting the campus can envision the potential of redeveloping this area of the campus.

The area north of the Pearson building known as the pecan orchard is currently being used for outdoor concerts and venues. This area has natural beauty with its gently rolling terrain and architecturally significant buildings serving as a dramatic backdrop. It creates the perfect venue for larger-named concerts to attract from a larger trade area, and should be promoted more heavily. Additional traffic would increase hotel room occupancy, restaurant sales and miscellaneous retail activity. Consider constructing a modest-sized convention center, to be used for retreats and conferences for tier three and four sized conferences by mid-sized firms, national associations, and other enterprises that engage in strategic planning, team building, and educational retreats. The adjacency of the state Bartram Forest land provides unique opportunities. The local community has an energetic group of bicycle enthusiasts and has won national recognition for its activity in that arena. CRE analysts are aware of an equestrian group looking to establish a high quality equine center with rodeos, national competitions, weekend rides for the experienced equestrian, dude rides for the inexperienced, and polo matches.

The current economy and rich history of Milledgeville (and the CSH site) provide a compelling case for the State to grant the community special status over other State sponsored economic zones. However, unique status may require special legislation to be passed and
signed into law. The CSHLRA and its stakeholders should petition the State for the establishment of a tax free (property, sales, income, franchise, etc.) within the boundaries of the CSH site; and the incorporation of the Bartram Forest into the CSH site to provide frontage and improve access to SH 112, SH 243, IH-441 and the Fall Line Freeway, enhancing the success of the redevelopment effort. If other special purpose legislation is required to achieve the goals and objectives for the CSHLRA, it should also be introduced at this time.

Starting any planning effort can often be the most difficult task. The first step in starting the process is determining how it will be developed. Consensus and acceptance is critical to success, but discipline and governance is important to the development of the plan. The work of developing a strategic plan requires a focused team (the smaller the better) who reach out to a broader pool of stakeholders for input and opinion. The team then builds the plan, presenting draft components of the plan to stakeholders for consensus until it is finalized. The planning team should be comprised of members of the CSHLRA, outside facilitators (research and writing), and select stakeholders. Local professionals (engineers, bankers, developers, etc.) need to be brought in periodically to address issues within their area of expertise. This team will see the project through to conclusion and the final acceptance of all stakeholders.

Development of a strategic plan should not be conducted in a vacuum. Rather, it is a consensus building product and process. When completed, the process of developing inputs, activities and outputs should be both prescriptive and adaptive. The process requires its contributors to circle back and review their efforts, findings, and actions to determine if the plan should be redressed, enhanced or left unaltered.

A strategic plan has multiple facets and is subject to change as the business or economic development practices of the CSHLRA mature. Portions of the plan may expand to address needs and issues with greater fidelity, while other parts of the plan may not change at all. This process is designed for collaboration and consensus building around an objective. The CSHLRA is encouraged to work with all constituents and stakeholders in a meaningful way to build this plan. As this plan is molded and shaped by the participants, it also bears up to criticism because it was built by the stakeholders themselves. Working with a large group will require facilitation to keep things moving but if managed carefully, the Strategic Plan will become a living constitution for the CSHLRA as it redevelops the CSH campus.
Existing Conditions

There are two reasons for starting a study such as this one with a regional and historical overview. The first is to gain an understanding of the existing conditions—characteristics of the local and regional population, age and income levels, educational attainment, employment (or unemployment), business and industry, and transportation linkages. Beyond the boundaries of the Central State properties, these are the assets that the Redevelopment Authority has to work with.

In addition to identifying community assets, a second reason is to establish a baseline for measuring the long-term success of the CSH (CSH) redevelopment. Asset-based community development projects typically measure return on investment in three categories:

- financial (rents, sales, property taxes);
- economic (jobs, new businesses) and;
- social (community support, community services such as medical or recreational facilities, quality of life).

The message we heard repeatedly in our conversations with stakeholders is that Milledgeville is a great place to live, but Milledgeville needs jobs. However, many of the jobs that have been lost over the years—jobs in the State Hospital or the Department of Corrections—were custodial positions requiring minimal education. Logically, then, the current high unemployment rate could be related to a lack of skills, as evidenced by the county’s historically low high school graduation rate. With an asset-based approach to community development, an increase in the high school graduation rate in Milledgeville/Baldwin County could be considered a measure of success. Similarly, an increase in average wages, or an increase in the percentage of jobs found in manufacturing, financial services or information technology (as opposed to services) would signify a diversifying economic base, another measure of success.

With this in mind, let us take a look at the demographic and economic characteristics of Milledgeville/Baldwin County.

Existing Conditions

First, a few words about the recent history of the area. Arguably, there are two Milledgevilles—the one to the north and the one to the south. The northern part of the community includes three colleges, city and county governments, and commercial and residential developments that have grown up to support them. There's a lot of history in Milledgeville, which was the antebellum capital of Georgia, and the downtown district is full of beautifully restored mansions—many now owned by colleges—along with commercial buildings occupied by shops and restaurants.
Milledgeville is a college town—in fact, it is a three-college town. **Georgia College and State University** is a four-year undergraduate and graduate school serving approximately 6,600 students. As a *residential* school, Georgia College expects all of its students to live on campus or in nearby housing. **Georgia Military College** is a college preparatory school (grades six through 12) and a two-year junior college, with a total enrollment of about 1,700 students (including about 1,200 at the college level). **Central Georgia Technical College** offers technical instruction, adult education, and customized business and industry workforce training. It enrolls 8,500 students at campuses in Macon and Milledgeville, along with smaller centers in other central Georgia counties.

The US Census counts students in the location that they call home, so it is important to note that, in addition to the resident population, there are between 8,000 and 10,000 college-age students in Milledgeville from September through May, all using local resources and spending money. Although Baldwin County ranks comparatively low in terms of household income, the presence of college students and tourists produces comparatively high retail sales, particularly in the area of accommodations and food services.

New development in Milledgeville—occurring over the past 10 to 20 years—has primarily occurred on the northern side of town, along Route 441. There are shopping centers, big box retailers such as Walmart and Lowes, fast food restaurants and several hotels. Industrial development has occurred west of town, along Route 22. The Milledgeville-Baldwin County Industrial Park is home to Coca Cola, Triumph Aerostructures, Bass Signal, Rath, Vernay, and others.

The other Milledgeville is on the south side of Milledgeville. Historically, this area developed as a bedroom community to the Central State Hospital, albeit one within walking distance. Surrounding the hospital property is a community of single family homes—mostly wood-framed cottages and bungalows and clusters of mobile homes. Several churches, a community center, and various small businesses are located within these neighborhoods, and small businesses and commercial uses have developed along Vinson Highway, Swint Avenue and Irwinton Road. There were other industries as well, including a carpet plant (closed in 2009) and a sawmill (still operating).

The economic downturn has been particularly hard on the small businesses and residential properties along Swint Avenue where, we were told, many properties are owned by investors who have little incentive to maintain them. Swint Avenue becomes increasingly unattractive as one travels south toward the Central State campus; historically this was the primary entrance to the State Hospital, and many buildings were vacated and abandoned as businesses closed and residents moved away. One of the challenges to the redevelopment of the Central State property is linking the north and south sides of Milledgeville, and creating a more attractive connection via Swint Avenue and Vinson Highway.
Population

The following table compares Baldwin County with the state of Georgia and the United States. Baldwin County lags the state and the nation on every measure, with lower population growth, employment, earnings and per capita income. Average earnings are only 69% of the statewide average, and employment growth has been less than half that of the state of Georgia. Unemployment is 50% higher than the national average.

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<th>COMMUNITY PROFILE – BALDWIN COUNTY, GA</th>
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<td>Population, 2012</td>
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<th>Trends</th>
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<tr>
<td>Population % change, 1970-2012</td>
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<tr>
<td>Employment % change, 1970-2012</td>
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<tr>
<td>Personal income % change, 1970-2012</td>
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<th>Employment and Earnings</th>
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<td>Unemployment rate, 2013</td>
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<td>Average earnings per job, 2012 (2013 $s)</td>
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<td>Per capita income, 2012 (2013 $s)</td>
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<td>Median Household Income, (2012$s)</td>
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<th>Economy</th>
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<td>Non-Labor % of total personal income, 2012</td>
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<td>Services % of total private employment, 2012</td>
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<td>Government % of total employment, 2012</td>
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Unsurprisingly, Baldwin County has a high percentage of families living below the poverty level. During the 2008-2012 period, Baldwin County had the highest estimated percent of individuals living below poverty (28.7%) among the state (17.4%) and the nation (14.9%).

### Poverty, 2012*

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<th>Baldwin County</th>
<th>Georgia</th>
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<tr>
<td>People</td>
<td>41,410</td>
<td>9,448,393</td>
<td>301,333,410</td>
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<tr>
<td>Families</td>
<td>9,973</td>
<td>2,397,245</td>
<td>76,595,548</td>
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<tr>
<td>People Below Poverty</td>
<td>11,905</td>
<td>1,645,272</td>
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<tr>
<td>Families below poverty</td>
<td>1,964</td>
<td>320,123</td>
<td>8,363,024</td>
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### Percent of Total

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<th>Baldwin County</th>
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<th>U.S.</th>
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<tr>
<td>People Below Poverty</td>
<td><strong>28.7%</strong></td>
<td>17.4%</td>
<td>14.9%</td>
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<tr>
<td>Families below poverty</td>
<td><strong>19.7%</strong></td>
<td>13.4%</td>
<td>10.9%</td>
</tr>
</tbody>
</table>

* The data in this table are calculated by ACS using annual surveys conducted during 2008-2012 and are representative of average characteristics during this period.

This was not always so. A look at the region’s employment history provides a clearer picture of how the community reached this low point in terms of growth and prosperity.

### Employment and Earnings

For many years, CSH was the largest employer in central Georgia. During the 1960s, the hospital served 12,000 patients. In the following decades, its population began to decrease due to a societal emphasis on deinstitutionalization. In 2010, the state of Georgia reached a settlement with the US Department of Justice to close the hospital and relocate the remaining patients into community settings. The last state-run nursing facility on the property—the Craig Center—will close in 2014.

As the patient population declined, the Georgia Department of Corrections reclaimed a number of buildings on the southern side of the campus and retrofitted them as prisons between 1978 and 1981, operating five correctional facilities that at one time housed as many as 4,000 inmates. The prisons were phased out between 2008 and 2010, for the most part scattering both prisoners and employees to other facilities in Georgia. Today there are two correctional facilities still operating on the Central State property. Baldwin State Prison was constructed in 1979 for 900 prisoners, and is located on the south side of the property. Riverbend Correctional Facility opened in November 2011 with a capacity of 1,500 prisoners, adjacent to Baldwin State Prison. Riverbend employs 250 to 300 people and is a private correctional facility operated by Geo Group.
Thus in Milledgeville, the continued operation of the hospital and prison provided jobs for many years, along with the colleges and several large manufacturing plants. During the 1990s, commercial development occurred to the north of town, and these businesses provided the replacement jobs that kept people employed in Baldwin County. By 2009, however, the Department of Corrections had vacated the Central State property, and several large manufacturing plants—Shaw (150 jobs) and Rheem (800 permanent 400 seasonal workers)—also closed. The following table graphically illustrates how employment changed from 1970 through 2012.

<table>
<thead>
<tr>
<th>Year</th>
<th>Government Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>15,000</td>
</tr>
<tr>
<td>1980</td>
<td>13,000</td>
</tr>
<tr>
<td>1990</td>
<td>11,000</td>
</tr>
<tr>
<td>2000</td>
<td>9,000</td>
</tr>
<tr>
<td>2010</td>
<td>7,000</td>
</tr>
<tr>
<td>2012</td>
<td>5,000</td>
</tr>
</tbody>
</table>

Government employment has always been a large component of total jobs in Baldwin County, and represented 49% of total employment in 1975. But by 2000, government employment was only 34% of the total; and 12 years later, in 2012, that percentage had declined to 27%. The following graphic illustrates how the number of government jobs has trended over time.
Why are government jobs so disproportionately represented in Baldwin County? All three colleges in Milledgeville are state-operated schools, so their employees are counted as government workers. The Georgia War Veterans Home and the Baldwin State Prison—both still operating on the Central State Campus—are state facilities, and there are a variety of state offices and maintenance personnel housed in several buildings on the property. Then there are local jobs in the city and county, as well as the Baldwin County School District. In total, state and local government employment reached a high of 9,353 in 1995, and declined to 5,695 by 2012—a loss of 3,658 jobs in less than 20 years. If we add the two largest private sector closings—Rheem and Shaw—the total job loss is just over 5,000 workers—about 25% of the labor force.

The following table illustrates unemployment in Baldwin County and the state of Georgia. Although most parts of the country have recovered the jobs lost during the recent recession, Baldwin County continues to lag behind.
UNEMPLOYMENT
Baldwin County
January 2010 – 16.4%
April 2014 – 8.7%

UNEMPLOYMENT
State of Georgia
January 2010 – 10.7%
April 2014 – 6.2%
New jobs that were created in the service sector bolstered the total employment figures and “replaced” some of the lost jobs. However, these jobs typically pay less than state jobs—even unskilled positions—and rarely include benefits.

The following table shows the employment allocation among industry segments. Following the Government sector, the highest percentage of jobs is in Trade (15.3%), Education and Health (16.0%) and Leisure and Hospitality (12.1%). In fact, Baldwin County has a high percentage of jobs in food service, with literally dozens of restaurants in the downtown business district and along the north side highways.

<table>
<thead>
<tr>
<th>Percent of Total Employment, 2013</th>
<th>Baldwin County, GA</th>
<th>Georgia</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Government</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Government</td>
<td>0.4%</td>
<td>2.6%</td>
<td>2.1%</td>
</tr>
<tr>
<td>State Government</td>
<td>16.6%</td>
<td>3.6%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Local Government</td>
<td>9.3%</td>
<td>10.2%</td>
<td>10.2%</td>
</tr>
<tr>
<td><strong>Total Private</strong></td>
<td>73.7%</td>
<td>83.7%</td>
<td>84.3%</td>
</tr>
<tr>
<td><strong>Non-Services</strong></td>
<td>12.7%</td>
<td>13.5%</td>
<td>14.8%</td>
</tr>
<tr>
<td>Natural Resources and Mining</td>
<td>na</td>
<td>0.8%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Ag., Forestry, Fishing, Hunting</td>
<td>na</td>
<td>0.6%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Mining</td>
<td>na</td>
<td>0.1%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Construction</td>
<td>na</td>
<td>3.7%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Manufacturing (Incl. Forest Prod.)</td>
<td>10.3%</td>
<td>9.1%</td>
<td>9.0%</td>
</tr>
<tr>
<td><strong>Services</strong></td>
<td>60.9%</td>
<td>70.1%</td>
<td>69.5%</td>
</tr>
<tr>
<td>Trade, Transportation, Utilities</td>
<td>15.3%</td>
<td>21.3%</td>
<td>19.1%</td>
</tr>
<tr>
<td>Information</td>
<td>0.8%</td>
<td>2.6%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>3.0%</td>
<td>5.4%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Professional and Business</td>
<td>11.5%</td>
<td>14.9%</td>
<td>13.8%</td>
</tr>
<tr>
<td>Education and Health</td>
<td>16.0%</td>
<td>12.5%</td>
<td>15.1%</td>
</tr>
<tr>
<td>Leisure and Hospitality</td>
<td>12.1%</td>
<td>10.5%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Other Services</td>
<td>2.2%</td>
<td>2.4%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Unclassified</td>
<td>0.1%</td>
<td>0.4%</td>
<td>0.1%</td>
</tr>
</tbody>
</table>


Unfortunately, the largest employment sectors in Baldwin County—and the areas that have seen the most growth—are in very low-wage positions. Hourly and part-time labor is the norm in retail trade, and food service workers are often paid half as much as retail workers, with the expectation that they can make up the difference in tips.
<table>
<thead>
<tr>
<th>Average Annual Wages, 2012 (2013 $s)</th>
<th>Baldwin County, GA</th>
<th>Georgia</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Private &amp; Public</strong></td>
<td>$31,659</td>
<td>$46,980</td>
<td>$50,028</td>
</tr>
<tr>
<td><strong>Government</strong></td>
<td>$34,406</td>
<td>$43,416</td>
<td>$50,501</td>
</tr>
<tr>
<td>Federal Government</td>
<td>$56,571</td>
<td>$69,964</td>
<td>$74,444</td>
</tr>
<tr>
<td>State Government</td>
<td>$33,680</td>
<td>$41,231</td>
<td>$52,122</td>
</tr>
<tr>
<td>Local Government</td>
<td>$35,269</td>
<td>$37,462</td>
<td>$45,039</td>
</tr>
<tr>
<td><strong>Total Private</strong></td>
<td>$30,220</td>
<td>$47,708</td>
<td>$49,938</td>
</tr>
<tr>
<td><strong>Non-Services</strong></td>
<td>$52,831</td>
<td>$51,286</td>
<td>$58,541</td>
</tr>
<tr>
<td>Natural Resources and Mining</td>
<td>$40,086</td>
<td>$34,653</td>
<td>$56,772</td>
</tr>
<tr>
<td>Ag., Forestry, Fishing, Hunting</td>
<td>$40,086</td>
<td>$29,958</td>
<td>$29,029</td>
</tr>
<tr>
<td>Mining</td>
<td>na</td>
<td>$59,148</td>
<td>$98,160</td>
</tr>
<tr>
<td>Construction</td>
<td>$36,218</td>
<td>$48,436</td>
<td>$53,078</td>
</tr>
<tr>
<td>Manufacturing (Incl. Forest Prod.)</td>
<td>$57,169</td>
<td>$53,789</td>
<td>$61,398</td>
</tr>
<tr>
<td><strong>Services</strong></td>
<td>$25,212</td>
<td>$47,010</td>
<td>$48,100</td>
</tr>
<tr>
<td>Trade, Transportation, Utilities</td>
<td>$24,564</td>
<td>$43,785</td>
<td>$41,977</td>
</tr>
<tr>
<td>Information</td>
<td>$33,560</td>
<td>$84,963</td>
<td>$83,243</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>$37,729</td>
<td>$70,667</td>
<td>$81,298</td>
</tr>
<tr>
<td>Professional and Business</td>
<td>$23,853</td>
<td>$58,778</td>
<td>$65,461</td>
</tr>
<tr>
<td>Education and Health</td>
<td>$33,848</td>
<td>$46,432</td>
<td>$45,965</td>
</tr>
<tr>
<td><strong>Leisure and Hospitality</strong></td>
<td><strong>$12,614</strong></td>
<td><strong>$18,830</strong></td>
<td><strong>$20,516</strong></td>
</tr>
<tr>
<td>Other Services</td>
<td>$22,267</td>
<td>$31,790</td>
<td>$30,544</td>
</tr>
<tr>
<td>Unclassified</td>
<td>$20,089</td>
<td>$53,123</td>
<td>$53,471</td>
</tr>
</tbody>
</table>


Another notable trend is an increase in the number of proprietors or self-employed persons. As shown in the following table, the number of proprietors—self-employed individuals—was relatively small in 1970, but by 2012 had risen to almost 25% of all employment.
Components of Employment Change, 1970-2012

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Employment</td>
<td>12,752</td>
<td>17,275</td>
<td>21,608</td>
<td>23,330</td>
<td>21,882</td>
<td>-1,448</td>
</tr>
<tr>
<td>Wage and salary jobs</td>
<td>11,733</td>
<td>15,696</td>
<td>19,455</td>
<td>19,976</td>
<td>16,529</td>
<td>-3,447</td>
</tr>
<tr>
<td>Number of proprietors</td>
<td>1,019</td>
<td>1,579</td>
<td>2,153</td>
<td>3,354</td>
<td>5,353</td>
<td>1,999</td>
</tr>
</tbody>
</table>

Percent of Total

<table>
<thead>
<tr>
<th></th>
<th>% Change 2000-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Employment</td>
<td>-6.2%</td>
</tr>
<tr>
<td>Wage and salary jobs</td>
<td>92.0% 90.9% 90.0% 85.6% 75.5%</td>
</tr>
<tr>
<td>Number of proprietors</td>
<td>8.0% 9.1% 10.0% 14.4% 24.5%</td>
</tr>
</tbody>
</table>

All employment data in the table above are reported by place of work and include full-time and part-time workers.

A high level of growth in proprietors' employment could be interpreted as a sign of entrepreneurial activity, a positive indicator of economic health. However, in some areas, particularly in remote rural areas, it is possible that a high proportion of self-employed is an indication that there are few jobs available. People may work for themselves because it is the only alternative, and they may work for themselves in addition to holding a wage and salary job.

One way to see whether growth and a high-level of proprietors' employment is a positive sign for the local economy is to look at the long-term trends in proprietors' personal income. If proprietors' employment and real personal income are both rising, this is a healthy indicator of entrepreneurial activity. If, on the other hand, proprietors' employment is rising and real personal income is falling, this can be a sign of economic stress. Unfortunately, the latter is what we see in Baldwin County.

In 1970, proprietors represented 8% of total employment, but by 2012, the ratio had increased to 24% of total employment. However, we can see that proprietors' earnings declined from 11% of total labor earnings to 9% of total labor earnings. Thus, self-employed individuals earned slightly more than other workers in 1980; in 2012, not so much. The following table examines this relationship.
### Components of Labor Earnings Change, 1970-2012 (Thousands of 2013 $s)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Earnings by place of work</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wage &amp; salary disbursements</td>
<td>429,304</td>
<td>621,909</td>
<td>815,789</td>
<td>914,950</td>
<td>765,237</td>
<td>-149,713</td>
</tr>
<tr>
<td>Supplements to wages &amp; salaries</td>
<td>343,027</td>
<td>485,506</td>
<td>615,357</td>
<td>652,185</td>
<td>537,919</td>
<td>-114,267</td>
</tr>
<tr>
<td>Proprietors' income</td>
<td>45,174</td>
<td>89,387</td>
<td>149,978</td>
<td>176,679</td>
<td>164,006</td>
<td>-12,673</td>
</tr>
<tr>
<td></td>
<td>41,103</td>
<td>47,016</td>
<td>50,454</td>
<td>86,086</td>
<td>63,313</td>
<td>-22,773</td>
</tr>
<tr>
<td><strong>Percent of Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Earnings by place of work</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wage &amp; salary disbursements</td>
<td>79.9%</td>
<td>78.1%</td>
<td>75.4%</td>
<td>71.3%</td>
<td>70.3%</td>
<td>-17.5%</td>
</tr>
<tr>
<td>Supplements to wages &amp; salaries</td>
<td>10.5%</td>
<td>14.4%</td>
<td>18.4%</td>
<td>19.3%</td>
<td>21.4%</td>
<td>-7.2%</td>
</tr>
<tr>
<td>Proprietors' income</td>
<td>9.6%</td>
<td>7.6%</td>
<td>6.2%</td>
<td>9.4%</td>
<td>8.3%</td>
<td>-26.5%</td>
</tr>
</tbody>
</table>

All income data in the table above are reported by *place of work*, which is different than earnings by *place of residence*.

One point that was made during interviews with CRE members was that assistance in starting or operating small businesses would offer multiple benefits to the community. Milledgeville does not keep its highly-educated college graduates in the community, although we met students who indicated that they would stay in Milledgeville if jobs were available. At the same time, small business development training could help the residents start or improve their own service businesses.
The majority of businesses in Baldwin County—and in the state of Georgia—are small businesses with less than 10 employees.

Education

An impediment to increasing employment is the low education levels of many of the people who lost their government and manufacturing jobs. Positions at the state hospital and state prisons included a large number of personal care workers and maintenance staff. In fact, the availability of such jobs probably contributed to the high school dropout rate, encouraging young people to go to work sooner rather than later.

At this point, however, the low graduation rate has become endemic. Baldwin County public schools have a graduation rate of 62.8%, compared to 69.7% for the state of Georgia. The percentage of individuals without a high school diploma is about the same as the percentage of individuals with a bachelor’s degree, and both of these measures lag behind the state of Georgia and the nation as a whole.
Highways and Greenways

Milledgeville is 100 miles or roughly two hours south of Atlanta, and 30 miles or 45 minutes northeast of Macon. The closest interstate highways are 40 miles and one hour north in Madison; 50 miles and one hour south in Dublin; or 30 miles and 45 minutes east in Macon. This has been a major impediment to attracting industry to the region. Route 441 runs north and south through the center of Baldwin County, and is the commercial spine.

The Fall Line Freeway is a four-lane highway that extends 215 miles, linking Columbus, Macon and Augusta. The section between Macon and Route 441 is set to open soon, and will provide a faster link to I-75 and to the port of Savannah. The new road is significant because it provides a direct route to the Central State property without driving through Milledgeville—an advantage for business and industrial traffic. Central State is three miles north of an interchange with the Fall Line Freeway.

The newest addition to Milledgeville’s transportation infrastructure—albeit a pedestrian route—is the Greenway located just east of downtown. This first phase of the Oconee River Greenway includes two loop trails along the banks of the river between Hancock Street and Fishing Creek. The long-term plan will extend the trail north to Lake Sinclair and south to Wilkinson County. A southern extension will bring the trail onto the Central State property and its 1.8 miles of riverfront. An ancillary project is the Fishing Creek Community Trail, a 9.36-mile pedestrian/bicycle path that will extend from the Oconee River Greenway on the east, to the west side of Milledgeville. This route parallels the northern boundary of Central State.
SWOT Analysis

Overview

A SWOT analysis is a structured planning tool used to evaluate the strengths, weaknesses, opportunities, and threats involved in a project, business venture, or individuals (i.e., employees, strategic hires, etc.). This involves postulating the goal of the venture or project and identifying the internal and external factors that are favorable and unfavorable to achieve its objectives.

Setting an objective should be done after the SWOT analysis has been performed. This establishes achievable goals or objectives to be set for the project.

- **Strengths**: characteristics of the project that give it an advantage over others;
- **Weaknesses**: characteristics that place the project at a disadvantage relative to others;
- **Opportunities**: elements that the project could exploit to its advantage;
- **Threats**: elements that could cause trouble for the project.

Identification of SWOTs is important because they guide and advise later steps in planning to achieve the objective. Furthermore, as this project progresses a SWOT analysis should be updated annually to determine if new items should be added to the matrix and others dropped.

We encourage the practice of matching and converting. Matching is used to find competitive advantage by matching the strengths to opportunities. Converting is to apply conversion strategies to convert weaknesses or threats into strengths or opportunities. An example of conversion is finding new land uses, or users that were previously not considered. If the threats or weaknesses cannot be converted, they should be minimized or avoided.

SWOT analysis aims to identify essential internal and external factors seen as important to achieving an objective. SWOT analysis groups critical information into two main categories:

- **Internal Factors** — strengths and weaknesses internal to the organization
- **External Factors** — opportunities and threats presented by the environment external to the organization

In the case of the Central State Hospital Local Redevelopment Authority (CSDLRA) this analysis is specific to its current status. The organization is in its infancy needing direction to advance its goals and objectives to use the Central State Hospital (CSH) site to further State and local government’s economic development goals in the Milledgeville region of the State of Georgia.
SWOT Analysis Results

The following exhibit was presented during the CRE Consulting Corps Exit Briefing on June 13, 2014 and is based upon the best information available to the team at that time. We will explore each element of this analysis in more detail, and include any new elements that manifest since our briefing.

As described previously this analysis explores each of the Strengths, Weaknesses, Opportunities and Threats associated with the redevelopment, economic development and adaptive reuse of CSH site.

Strengths and Weaknesses address internal and/or immediate issues. Opportunities and Threats explore external and/or future issues. For each element we will identify and define the item and describe how they should be matched or converted.

Analysis of Strengths

Each strength described internal or current characteristics or conditions that should be used to match with opportunities or convert (or avoid) threats. Each strength is identified and defined, and the recommended approach to exploit each is explored in the following analysis.

**Educational Institutions**: The quality and size of Milledgeville’s universities are unique for a city of its size. Many larger towns and cities would covet having just one of these schools located in their community. In addition to students who add substantially to Milledgeville’s economic base, the ability to tap into the talent of the faculty, staff and students is limitless.

We recommend that these universities be brought into the strategic planning process. Though none expressed an overwhelming interest in the redevelopment of the CSH site, having...
让他们参与规划过程使他们成为支持者，如果不是活跃的参与者，在努力中。此外，向特定的学生组织、教职员工和员工寻求援助、意见和/或想法能够带来人才，促进再开发努力的传播，从而增加对努力的更大兴趣。

**The Town of Milledgeville:** 城市本身拥有一个独特的历史，与奥古斯塔、萨凡纳和哥伦布相匹敌。历史和保存历史的程度提供了另一个面向游客、居民和企业的领域，这些领域应该在CSH网站的再开发中加以利用。学生的混合、应届毕业生和现任居民是一个成熟的企业创业的温床，可以推动有机的经济增长。

我们建议与州、县和地方经济发展部门合作，培养创业者支持者计划，以在城市和企业中培养创业者。此外，如果可行的话，将社区的更广泛的历史方面与CSH网站的策略计划相结合。将历史方面与中央商务区的自然历史相联系将为再开发努力带来利益。

**Consensus (on Objective):** 尽管在执行再开发计划时可能存在分歧，但就最终目标达成广泛共识：就业。几十年（甚至可能是几个世纪）来，Milledgeville一直享有经济波动的孤立状态。作为州首府，直到1869年，作为世界上最大的州立医院，从1842年到1990年，Milledgeville一直免受宏观经济和微观经济波动的影响。随着医院的关闭，以及随后的监狱关闭，城市正在经历首次严重的经济衰退。这种经历对社区产生了激励作用，联合许多利益相关者解决这个问题。

这可能是社区的最大优势。虽然实现此目标的策略和方法可能在利益相关者之间有所不同，但最终目标是一致的。CSH网站可以作为第一个集会点，建立共识，围绕执行一个有形的计划，实现就业增长。我们建议CISHLA使用这种共识，首先开发一个所有利益相关者支持的战略计划，然后在执行该计划时，特别在做出困难决定时。

**Right-to-Work State:** CSH网站的规模使其对大用户更具吸引力。几个国际规模的企业可以在这里联合制造、研究、分销和办公公园设施。乔治亚州的“工作权利”法律提供了一个有吸引力的商业环境，应该加以利用。

我们建议CISHLA与州经济发展机构密切合作，积极宣传其工作权利状态，以吸引企业来此。
**Natural Beauty:** The nature of the past land uses (prisons, hospitals, etc.) facilitates a vast campus that encompasses diverse sections of land. Much of the site is forested with several miles of scenic river frontage. These attributes should be considered a resource that can be exploited for a myriad of uses to complement development.

We recommend the CSHLRA take care to preserve and work with the scenic nature of the property. This does not suggest setting aside the property for “wilderness or habitat” designations, as there is ample nearby undeveloped land to sustain indigenous wildlife outside city limits. Operations such as timber harvesting, farming, recreational use, etc., afford low impact revenue streams while preserving the natural beauty of the site. Our recommendations reject interim uses that might distract from a broader development plan (land fill, junk yard, etc.).

**Water Frontage:** The site benefits from 1.8 miles of river frontage along the Oconee River, as well as several smaller lakes on the property. While the area enjoys access to and developable lake frontage north of Milledgeville, there is very little developed river frontage to the south of the City.

We believe this is an untapped resource that should be integral to the development plan for the City. Water frontage this close to a city the size of Milledgeville could be exploited with new housing, hospitality, and convention facilities, if properly incorporated into a strategic plan.

**The Fall Line Freeway:** The construction of the 215-mile Fall Line Freeway will result in a new entrance to the city from the south side for travelers driving there from Macon to Augusta, Georgia. Visitors and commerce from Savannah, Charleston, Jacksonville, Tallahassee, and even Montgomery will no longer be required to enter the City from the north on SH 49 or SH 22. When access to markets shift, commerce adapts to the change, resulting in land use, development and even political change. With the incorporation of all State-owned land, the CSHLRA will have frontages along SH 112, SH 243, IH-441 and the Fall Line Freeway, making it the southern gateway to the City.

We recommend the CSHLRA work aggressively to ensure it has authority to incorporate all State owned land into its charter and build the pending completion of the Fall Line Highway into its Strategic Plan.

**Water Quality and Other Infrastructure:** One of the most pleasant surprises uncovered during the CRE interviewing process was learning that water quality and distribution capacity was exceedingly high and robust. We commend the CSH site engineering staff for their contribution in recent years to the upgrades made to the existing water, sewer, electrical, natural gas, and cable infrastructure. Redevelopment projects of expansive sites usually stall for lack adequate infrastructure and/or the community’s inability or unwillingness to upgrade them. In this instance it appears it will not be an issue in the developed portions of the site.
We recommend this strength be exploited and promoted by the CSHLRA in its strategic plan, in close coordination with State Economic Development and Chamber of Commerce organizations as they jointly market the site with CSHLRA.

**Several Anchor Tenants:** Businesses and investors are often reluctant to locate or invest in “greenfield” sites or be the “first in” tenant. One sees this trend in shopping malls or large industrial parks, as smaller support tenants are comforted to know that a larger “anchor” tenant is in place to draw in business or afford them proximity to supply their customers. In this instance, there are several anchor tenants (private prison, high security mental health facility, Veterans facility, etc.) already in place. These enterprises make it easier for investors, lenders, small and large businesses alike to invest in and/or relocate to the CSH site.

We recommend the CSHLRA extol the benefits of joining the current anchors who occupy the CSH site in their marketing and strategic plans. Furthermore, working with the current anchors to enlist their assistance in convincing suppliers and support organizations to co-locate on the site could result in cascading and continuing benefits going forward. Finally, tenants who provide secondary benefits to anchors, afford the CSHLRA an opportunity to attract convention venue developers and hospitality companies (hotel, restaurant, catering, etc.) to the CSH site.

**CSH Leadership:** The State and Milledgeville are fortunate to have strong leadership in place to support, design and implement the redevelopment of CSH site. Many redevelopment organizations around the country languish because leadership is inexperienced or unskilled at performing these types of redevelopment efforts. Fortunately, Mike Couch and his staff afford CSHLRA the experience and credibility with investors, lenders, and state and local governments necessary to move the redevelopment effort forward.

We recommend the community use the strengths of the CSHLRA leadership to advance the development of a strategic plan for the CSH site. Furthermore, they should band together around the CSHLRA as they build their plans, strategy, outreach and implementation efforts. Taking these actions in support of the CSHLRA will send a clear message to land users, tenants, and stakeholders that will accelerate redevelopment and ultimately job growth.

### Analysis of Weaknesses

Each weakness describes internal or current characteristics or conditions that should be countered with strengths, if possible, or addressed either in advance (or concurrent with) investing resources in the redevelopment effort. Each weakness is identified, defined and a description regarding the suggested approach to counter or convert each is described.

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<th>SWOT - Weaknesses</th>
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**Lack of Public Awareness:** As large as the CSH site is, it suffers from relative anonymity in the public eye. Some stakeholders interviewed knew less about the project than the interviewers. This situation could result in anemic support or limited consensus around a redevelopment planning and implementation effort.

We recommend raising public awareness through signage, radio broadcast reports, television, email news updates to the community, state and local government, and businesses. The more the community knows about the positive actions and activities generated by CSHLRA, the greater the consensus for economic and political support will become.

**Deferred Maintenance and the Cost to Maintain:** While the utility infrastructure appears to be in excellent condition, the above-ground structures suffer from functional obsolescence and physical deterioration. In some cases, some buildings may have value if an appropriate user can be found to renovate the structure, assuming it makes financial sense to do so. However, many of the structures have become a maintenance drain and ultimately a liability to the CSHLRA. Furthermore, the current cost to maintain these structures is expensive, adding additional risk to the State’s financial support.

We recommend the CSHLRA develop a demolition list for the structures that are functionally obsolete and physically deteriorated. The remaining structures should be dried-in, secured and held in caretaker status until users can be found for them. Both of these actions show progress and purpose toward the CSH site redevelopment objective, and will generate annual cost savings to the State to justify the cost.

**Note:** The CSHLRA may be able to offset these costs by auctioning off any salvageable furniture, fixtures and equipment (FF&E) or construction materials.

**Perception of Poor Public Education (School System):** The specter of poor public primary schools in Milledgeville is a weakness that cannot be quickly overcome. Rather, it will require time and effort to work with communities, faith-based organizations, and other stakeholders to begin the process of change. The most significant impact will be felt by those companies considering expansion or relocation to the CSH site. During our interviews, we learned local universities often experienced difficulty recruiting faculty to the area after potential employees investigated the state of the public school system, as they were often wont to do.

We recommend outreach to the school system to enlist them in the strategic planning and marketing process. They will recognize the impact their performance (good and otherwise) is having on job creation and redevelopment. Furthermore, outreach to the much stronger private schools in the planning process would backstop the weaknesses in the public school system. Finally, soliciting the State to conduct a top down review of the public school system to identify improvements to the public school’s policies, procedures and curriculum could accelerate positive changes, making the CSH site more attractive to corporate expansion and relocation.
**Lack of Skilled Workforce:** During the interview process, we learned a relatively large construction project in the area had to be completed by labor shipped in from outside the county. Skilled labor is critical to the success of any economic development effort. It is difficult for companies to justify relocation or expansion into a location where hiring is difficult. The cost to hire and move labor to a new site could diminish discounted land, taxes and/or facility costs to a company considering expanding or relocating to Milledgeville.

The solution is to work with the school system, universities and trade schools to match job training skill development to current and targeted business needs. Again, including schools, universities, and trade schools in the strategic planning process is critical to ensuring their education programs are tailored and targeted to the businesses CSHLRA is trying to attract.

**Contamination and Reputation Stigma:** The specter of environmental and/or supernatural contamination was discussed openly by locals and stakeholders with CRE members in Milledgeville. Of these, the former was the mostconcerting. However, discussions with the facility engineer suggests very little contamination (mostly asbestos) remains on the property. That said, the stigma of contamination in any form works against the CSHLRA’s marketing and redevelopment efforts.

We recommend publishing the environmental survey identifying the remaining “hot spots” for contamination and including a remediation schedule in the strategic plan, and tracking the progress against the plan. Demolition of the obsolete and deteriorated structures should address any lingering stigma.

**Current Market for Previous Uses Limited:** While many government facilities have structures that can be adapted to related uses, many of the prison and other obsolete facilities are so unique that they cannot be adapted for similar uses, and adaptive reuse may be not be financially feasible.

We believe the recommendations to mitigate weaknesses described previously will address this use as well.

**Lack of Rail and Interstate Highway (Access):** Rail is critical to heavy industrial uses, but trucking does rival the cost of rail, offsetting this weakness somewhat. However, lack of interstate highway access directly to the CSH site will become a concern for companies considering relocating to the area. Fortunately the Fall Line Freeway will increase traffic to and through the site. Furthermore, the ability to combine the Bartram Forest with the CSH site will result in valuable frontage along two major freeways and two state highways.

We recommend the CSHLRA work with the State to include the Bartram Forest in the CSH site for redevelopment purposes in order to enhance its access and exposure.

**Lack of Financial Resources:** The ability to successfully redevelop any site is directly tied to access to discretionary funding. The operating budget for the CSHLRA is approximately $200,000, barely enough to maintain two salaries and support services. There is no funding for advertising, engineering, professional services, etc., which are all necessary for any redevelopment program.
We recommend the CSHLRA directly petition the State to fund a strategic planning effort. As part of the plan, the CSHLRA needs to develop a discretionary budget to support general business activities and project-related funding. General business activities include those items normally found in land development company operating budgets, along with caretaker costs associated with property management. Project related costs address dedicated funds for discrete projects (roads, lighting, demolition, etc.), that result in non-recurring costs fundable by grants or related funding from State or local government.

**Note:** Some redevelopment organizations generate funds through a cost savings sharing agreement where any costs the LRA can permanently reduce for the sponsor (State) are shared 50/50 with the LRA. This requires a cost baseline analysis but creates metrics and incentives for all parties to the agreement.

**Lack of Differentiating Economic Incentives:** Even if all the strengths were promoted, and all weaknesses mitigated, there would still be very little incentive to locate a business on the CSH site relative to any other State-sponsored business park in Georgia. Many other business parks (including those in Milledgeville) have stronger attributes by comparison, and given a choice, a business would be more inclined to move to an alternate location rather than the CSH site. This is a critical weakness that must be mitigated for the CSHLRA to be able to compete against other State-supported business parks.

We recommend the CSHLRA use its relationship with the Governor and State Assembly to establish a Special Enterprise Zone (explored in more detail later in this report), with the expressed goal of reducing State and Local Taxes to zero.

**Note:** The Brooks Development Authority advanced an attractive incentive package for anyone supporting land development and job creation on a former Air Force Base. This effort is almost singlehandedly changing a historically blighted area of San Antonio (see [http://www.brookscity-base.com/work-with-us/incentives/](http://www.brookscity-base.com/work-with-us/incentives/)).

**Unattractive Approach from Downtown:** The primary access between the Central Business District and the CSH site is via Swint Avenue and Vinson Highway. Both traverse through moderately unsightly parts of the City and don’t lend themselves well to redevelopment efforts. These areas are in need of enhancement.

We have several recommendations to address this issue. The CSHLRA could work with the City and County to establish a management district that extends along both thoroughfares, affording them the ability to landscape, enhance and possibly acquire properties along both roads.

The CSHLRA could work with the City and County to condemn or expropriate sites along the corridor for redevelopment purposes. The CSHLRA could establish a new entrance to the south along Vinson Highway after the Bartram Forest is incorporated into the CSH site and the Fall Line Freeway is complete.
Finally, the CSHLRA could petition state funds to develop a new entrance into the heart of the development, running north from the Fall Line Freeway. Each of these options should be explored, especially as most are not mutually exclusive.

Analysis of Opportunities

Opportunities represent attributes or circumstances that should be exploited. Some opportunities can be used to offset threats and weaknesses, or enhance strengths. Often opportunities fall into two categories: conditions that are present but unrecognized, or conditions that are pending that could be exploited; we will explore several.

**Capitalize Upon Relationships with State Government:** The Milledgeville, Georgia economic base has been driven and sustained by the State of Georgia for decades. During CRE interviews with stakeholders, it seemed clear the State supports the community and its desire to work with the State to use the CSH site to reverse negative economic trends. The challenge with Milledgeville’s position in this effort is the community’s location. Even though it is centrally located in the State, competing State-sponsored land developments offer locations that are superior.

To mitigate locational weaknesses, we recommend the CSHLRA petition the Governor’s office with a proposal to offer unique incentives (taxes, development financing, grants, etc.) for business to relocate from other countries or states to Milledgeville. We believe presenting a position that shows the job loss resulting from the State’s restructuring decisions, along with the community’s desire and commitment to reverse the trend with the State’s help, would result in a compelling business case for an incentive package for businesses that could be found nowhere else in the State.

Furthermore, work with the State to develop a Management District and or a Tax Increment Reinvestment Zone that would afford the CSHLRA the ability to raise capital and issue bonds to cover operating costs and infrastructure upgrades over time.

**Develop Unique Incentives (for Businesses):** The State’s economic development, industrial development, and chamber of commerce websites provide a window into the current business incentives available in Georgia. However, they all offer the same incentives tied to industrial development sites across the State. The CSH site is unique as it is wholly owned and managed by the State of Georgia. This status should afford the CSHLRA the ability to petition special legislation for unique incentives.
Development incentives can range from blanket to specific incentives. Blanket incentives include items such as forgiveness of all state taxes, while specific incentives usually target industries. Specific incentives can target individual industries and even individual companies (i.e., grants or low interest financing for mountain bike manufacturers, for example).

We recommend the CSHLRA work with the State first on securing blanket incentives unique to the site. These will be the most difficult to obtain, while targeted incentives are often easier to work through the State Assembly and Governor’s Office.

**Leverageable Heritage and Nearby Historic Sites:** Milledgeville has a rich history and heritage. Communities in other parts of Georgia have done an excellent job of exploiting similar attributes (Savannah, Augusta, etc.). Sadly, it was only after we arrived in the City did we fully appreciate its rich history, including the CSH site.

We recommend the CSHLRA work aggressively to coordinate with the county and State Convention and Visitors’ Bureaus (or equivalent) to identify marketing channels and funding needed to promote the region’s attributes. Then, the State should be petitioned for the support needed to promote the area through the effort to redevelop the CSH site.

**Linkage to Greenway:** Milledgeville’s greenway and park system could be augmented greatly by expanding into the CSH site. The site’s 1.8 miles of frontage along the Oconee River could be tied into the community’s current park and trail system. Furthermore the Bartram Forest is within city limits, and portions of the forest could easily be incorporated into a development plan for green space and park land.

We recommend linkage to the Milledgeville Greenway be incorporated into the CSHLRA land planning efforts as an amenity to the business park and the community. Furthermore, the CSHLRA should consider using green space enhancement/expansion and storm water detention as an offset its land sale or leasing expenses.

**Enthusiasm of Young Professionals for Action:** It was encouraging and refreshing to see so many young professionals taking an interest in the CSH site effort. It is clear that there is a significant number of very bright and highly motivated individuals desirous of seeing the status quo changed, promoting employment and economic growth in the community. With three universities, the area houses a massive amount of pent-up capacity and energy that the community, and specifically CSHLRA, should engage to support its redevelopment efforts.

We recommend that CSHLRA establish a student, alumni, and young professional advisory board, with action teams designated to pursue specific initiatives (perhaps some of which we have already identified). This would encourage students and small business to take an active role in reversing the current economic trend in the Milledgeville area, enhance community loyalty, provide entrepreneurial career path options, and assist in growing the economic base from within.

**Leverage Skills and Support of Residents and Retirees:** While students and young professionals are an untapped resource, established residents and retirees are an underutilized
asset. The established population can become a powerful lobbying force, providing influence as well as energy to the CSH site redevelopment process. The reach of many established residents in the community have is significant. Furthermore, retirees often have the time, energy, resources, associations, and incentive to support the CSHLRA. Unfortunately, we found that to date, little indication that the broader community has been given specific responsibilities.

We recommend the CSHLRA develop a CSH Citizens Action Committee with specific tasks to support lobbying, outreach, and related economic development activities. The broader the base of participants, the more likely meaningful redevelopment will result.

**Engage Church Body and Leadership:** A rallying point for any community and, as we witnessed, specifically Milledgeville, is its local religious institutions. Church leadership can rally its members in ways the CSHLRA may not be able to match. They can be a bridge into the disenfranchised and most adversely affected parts of the community, and instill support, community pride, and provide influence to the CSH site redevelopment effort, while becoming a powerful ally for outreach to its members and representatives.

We recommend the CSHLRA continue to work with the church body and leadership, adopting members to participate in the strategic planning process, provide regular briefings to their membership, and become members of any delegation that lobbies state and local government.

**Embrace Education and Internship Opportunities:** As described previously, students in Milledgeville’s three universities provide a wealth of energy and capacity to support the CSHLRA. Furthermore, the CSH site redevelopment effort will continue for decades to come. Many of the top business and entrepreneurial programs in the country struggle to help students find internships to complete bachelor’s and master’s degrees, and few students ever have the opportunity to work on a project of this importance or magnitude in major cities, let alone a community the size of Milledgeville.

We recommend the CSHLRA work with ALL local universities to solicit several candidates from each, to assist in the strategic planning process, community and political outreach, market analysis, marketing, lobbying, financial and economic analysis, site analysis, environmental analysis, community planning, health care, etc. There are so many moving parts and requirements for a redevelopment exercise for a site of this magnitude, that virtually every major area of study in each university could offer at least one student internship if not more.

Furthermore, we recommend the CSHLRA, after garnering the support of the universities, solicit the state government for funds to pay students for their service. Finally, when young minds are challenged to do great things, not only do they feel a sense of accomplishment, they feel a sense of loyalty to the cause. That loyalty often brings the continuity needed to see a long-term project like the CSH site redevelopment effort to fruition.

**Focus on Emerging and Compatible Industries:** Compatible industries are businesses that could easily adapt to the facilities in place, while emerging industries represent enterprises
that are often experimental, undercapitalized, early to market, or contain several of these characteristics. Compatible industries afford the CSHLRA quick successes with little modification to existing structures that can be used by established companies for the purpose they were designed to fulfill. Emerging, or incubator industries usually require less space, but more flexible lease structures, to accommodate expansion and/or contraction requirements. Fortunately, the CSH site has ample space to accommodate both types of industries.

We recommend the CSHLRA identify facilities that could easily be adapted to fit mainstream industries (i.e., the bakery) and aggressively market them to prospective users. Furthermore, for those spaces that are nondescript (in the hospital) or unused (warehouse, etc.) that can be easily modified or adapted, we recommend using them as incubator space for emerging, or small, business. Creativity may be an important tool in this effort, trading rent for building improvements and expense carry. When the incubator becomes successful, CSHLRA can find more appropriate space that the tenant can afford.

Analysis of Threats

Threats represent potential danger to the project, which may not have developed into a weakness at this time but could cause problems in the future. Strengths and Opportunities can be used to offset some Threats, while others may require direct action to intervene.

Continued Political Sponsorship and Support: The CSH site redevelopment and CSHLRA currently enjoy strong political support and sponsorship at the state level. However, political support is political, and therefore always subject to the budgetary whims of the State Assembly. With caretaker costs in excess of $15M, a budget strapped state government could view CSH as an easy budget cutting target.

We recommend using the strategic planning process, local stakeholders, and the media to mitigate this threat. The strategic planning process can be used as a rally point for stakeholders and the media to participate in, adopt the vision for, promote, and monitor the redevelopment effort.

Building momentum behind the strategic plan, developing milestones and measures for success with the stakeholders in the CSH redevelopment process, while working with them to promote the vision to State Government, could provide an effective foil to any political and financial sponsorship opposition.

Government-Sponsored Competition: There is a significant number of state and local government sponsored business parks sporting tax incentives, grants, and (in some cases) direct
investment. There is also a government-sponsored industrial park within ten miles of the CSH site. These parks offer direct competition to CSHLRA for tenants, investment capital, and political support.

We recommend the CSHLRA use the strategic planning process to build stakeholder and media support for the development. Furthermore, we recommend the stakeholders petition State and Local Government for all existing tax incentives plus others that would provide a competitive advantage to the CSH site.

The case for additional incentives could be made based on the economic impact the CSH had on the community (percentage of GDP, jobs, incomes, etc.) when the facility operated at capacity, versus the amount of loss and cost (unemployment payments, crime, tax base declines, etc.) to the community for closing the area’s major employers. The need for enhanced government sponsorship for the CSH site should become a battle cry and the focal point for the strategic plan.

*Competing Economic Development Corridors:* While Economic Development Corridors are often supported by government-sponsored competition, they are a force of their own. Development corridors along major roadways, near ports or airports, and rail or logistics terminals occur naturally, but are often the focus for private sector and government support. Most of the major development corridors cluster around the major interstate highways (IH-20, 95, 75, 85 and 16). Milledgeville is not connected to any of those highways making it difficult to attract economic development capital.

We recommend the CSHLRA position its redevelopment effort in conjunction with the Fall Line Freeway project. This project will create new economic development corridors in areas that were previously ignored. Furthermore the CSHLRA should bring this to the attention of state and local government officials to enlist them as early supporters of the CSHLRA Strategic Plan, extolling the need to exploit the site as a marquee location for economic development along the Fall Line Freeway.

*Community Apathy:* During the interview process we encountered a wide range of perspectives from stakeholders. Some were engaged and enthusiastic about the prospect of seeing economic and community growth through the redevelopment of the site. Others knew very little about the site, its past economic impact, and its potential for economic development of the community and the region. This threat may be the greatest challenge for the successful redevelopment of the community. If support for redevelopment is limited to just a few hardy supporters, and the broader community is not enlisted behind the effort, the ability to build the political support needed to propel the plan forward could fail to gain inertia.

We recommend the CSHLRA couple outreach to the community with its strategic planning effort. Using media, interest groups, students, schools, etc. to introduce the concept of economic development is critical to the redevelopment effort. As a measure of success, everyone in the community should be aware of what is going on (successes, challenges, investment, leases, etc.), and no one should be without an opinion on how best to redevelop the CSH site.
Healthcare and Primary Education Challenges: In many of our interviews, a common lament was the quality of schools and healthcare in Milledgeville. University presidents reported it was difficult to attract qualified staff to the community, once candidates examine local school system scores and ratings. Still others suggested the hospital system was lacking the level of competency needed to support the community. Sadly, education and healthcare deficiencies are usually systemic and difficult to repair quickly, requiring time to correct.

While the CSHLRA is not in a position to influence change directly, as the organization builds its strategic plan and petitions state and local government officials for support, this threat should be highlighted. Also, adopting education and healthcare change agents into the planning and petitioning process may assist in facilitating the change needed to improve both over time.

Time: There is a saying among developers that “time kills all deals”, and in this instance time can also kill inertia critical to the success of the CSH site redevelopment effort. Great ideas, concepts and plans have a limited shelf life if action fails to follow. Furthermore, many communities that rally around redevelopment have a tendency to build “job nests,” finding ways to expand their number of staff until the development becomes a jobs program, when it should become a means to an end: the creation of private sector jobs. Failure to act, and over-commitment to staffing can stifle a redevelopment plan to the point that it no longer serves its original objective.

We recommend the CSHLRA organize around actions. The first action needs to be the development of a strategic plan, following an outline and a schedule will drive this action home within 90 days. The strategic plan will also specify other specific activities that can be assigned to community groups, lobbyists, interns and consultants. Building a flat organization that has the fewest possible permanent employees will afford the CSHLRA the ability to begin or terminate actions and activities with a minimal payroll and greater efficiency.

Discontinued State Funding: State funding a subset of political sponsorship and support, but is also a unique threat. The money trail that flows from the State to the CSH site is touched by a number of different sources. Any source along the chain can influence the direction and/or flow of funds. Funds pledged can often be diverted for other uses without Assembly approval, provided adequate authority and requirements warrant the change. In conjunction with time, an interrupted flow of funds can cause delays in project planning, endanger redevelopment commitments, and cause opportunities to slip away with no ability to remedy the situation.

We recommend that the CSHLRA petition the State Assembly for direct and dedicated funding for CSH site redevelopment activities. This way, the CSHLRA gets a direct pipeline to the State Assembly and the ability to show results from actions and activities proposed in the strategic plan.

Continuing Job Losses: Job losses in the Milledgeville area are nearly double the number found in the State as a whole. To make matters worse, the county reported a net out
migration regarding the total population in Milledgeville. When jobs and population migrate out of a community, financial and political stress result. Fewer jobs mean reduced property values, retail sales, etc., resulting in less tax revenue. Since local government loathes downsizing to adjust to the new economic reality, budget shortfalls ensue. Eventually, local government is forced to make painful corrections or endure financial distress.

Furthermore, when job growth is stagnant communities tend to lose their best and brightest first, as they often have the most marketable skills. This is evident by the lack of skilled labor and the need to “import” labor for Milledgeville construction projects from Atlanta and other large communities.

We recommend the CSHLRA work with the State to develop a Job Corps (like) program that affords skilled unemployed labor the ability to work on the CSH site redevelopment effort, the goal being the enhancement of the eroding employment base while obtaining resources for the redevelopment effort. Training could extend from trades to technical to professional skills development, and be used as a metric to evaluate the CSHLRA’s progress toward its strategic objectives.

Summary

A SWOT analysis is a tool to identify critical factors in a business, project and/or enterprise. The use of this analysis is valuable to stakeholders as it requires a sober look at the attributes and challenges associated with any venture. This tool is diagnostic in nature, but not a cure-all to guarantee success. It should be viewed as a living process that sets goals and objectives while identifying challenges along the way. It should be updated as new issues arise and to confirm previous variables still influence the situation.

During our time with the CSHLRA and its stakeholders, the CRE Consulting Corps identified characteristics and issues we believed were Strengths, Weaknesses, Opportunities and Threats (SWOT) to the successful redevelopment of the CSH site.

Our recommendations should be carefully considered and evaluated before adoption or rejection by the CSHLRA. Additional issues not considered by the Consulting Corps may need to be added to this analysis. Importantly, we believe consensus should be built around the SWOT analysis before the CSHLRA moves forward with its strategic planning effort.
Economic Impact: Calculating Economic Returns from Conferences, Events, and Tourism

According to the Union Recorder:

“Tourist activity in Baldwin County generated $58.83 million in direct tourist spending and produced $13.01 million in worker income and paychecks... Travel and tourism has brought in more than $2.27 million in tax revenue for Milledgeville, Baldwin County.” (May 3, 2014)

We opine that recreational tourism, sporting events, festivals and conferences should be part of any business plan as they capitalize on the area’s outdoor beauty and existing infrastructure. However, it’s not just about quality of life and wildlife preservation. According to the U.S. Travel Association, direct spending on travel supports 7.5 million American jobs—seven percent of total private-sector employment. And this spending has a ripple effect: as visitors spend money, travel workers spend their paychecks in other sectors of the economy; hospitality and restaurant businesses expand; transportation companies increase their fleets, etc.

A number of references are available regarding the economic impact of travel and tourism. Travel Means Jobs, a publication of the U.S. Travel Association, makes the point that travel jobs cannot be shipped overseas, and that the travel industry disproportionately accommodates workers displaced by the recession—including younger workers and those without higher education. Their publication, The Power of Travel Promotion, available online, discusses the impact of travel and tourism in terms of job creation, tax revenues, and as a critical factor in attracting businesses and employees. Keep America Meeting, a white paper publication of the U.S. Travel Association, discusses the benefits of meetings and conferences to participants as well as host communities. Here’s a link to the research papers of the U.S. Travel Association: http://www.ustravel.org/research. For a direct link to Keep America Meeting: https://www.ustravel.org/sites/default/files/LVCVA_Keep_America_Meeting_white_paper.pdf

A Georgia Economic Impact Calculator:

The Georgia Department of Economic Development has extensive research on travel and tourism, event-planning tools, and economic impact reports on tourism by region: http://www.georgia.org/industries/georgia-tourism/industry-research/.

It provides an Excel-based impact calculator that calculates direct and indirect economic impacts of various events and festivals. The following screen shots use the Georgia Teachers Association as an example: a three-day conference that produces $291,000 in direct spending, including
$162,000 from visitors and $88,000 from exhibitors. The indirect impacts are estimated at an additional $154,000. The chart indicates that a total of 6 FTEs (full-time equivalent jobs) could be supported.

This is not to say that six people will find full time jobs planning a one-time event. In a town like Milledgeville, a single event might result in a few additional hours for part time workers in hospitality and food service establishments. Nor are we proposing that Milledgeville could host a conference of this magnitude – at least not initially. However, if there were six smaller events per year, or 12 festivals and sporting events, the impacts would be cumulative and could result in new business formations and permanent jobs.
### Direct Business Sales Summary

<table>
<thead>
<tr>
<th>Visitor Spend</th>
<th>Visitor Spending Distribution</th>
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</thead>
<tbody>
<tr>
<td><strong>Visitor Spending</strong></td>
<td><strong>Business Sales</strong></td>
</tr>
<tr>
<td>Visitor Spend</td>
<td>Direct</td>
</tr>
<tr>
<td>Lodging $162,988</td>
<td>$281,312</td>
</tr>
<tr>
<td>Transportation $69,789</td>
<td>$15,334</td>
</tr>
<tr>
<td>Food &amp; bev $45,119</td>
<td>$21,809</td>
</tr>
<tr>
<td>Retail $8,011</td>
<td></td>
</tr>
<tr>
<td>Organizer Spend $40,961</td>
<td></td>
</tr>
<tr>
<td>Exhibitor Spend $88,793</td>
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</tr>
<tr>
<td>Total Event $320,741</td>
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</tbody>
</table>

### Economic Impact Summary

<table>
<thead>
<tr>
<th>Economic Impact Summary</th>
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</thead>
<tbody>
<tr>
<td>Business Sales</td>
</tr>
<tr>
<td>Direct $281,312</td>
</tr>
<tr>
<td>Indirect $154,102</td>
</tr>
<tr>
<td>Total $445,414</td>
</tr>
<tr>
<td>Wages $107,360</td>
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<tr>
<td>Jobs Supported</td>
</tr>
<tr>
<td>Person days $1,090 $536</td>
</tr>
<tr>
<td>Persons 211</td>
</tr>
<tr>
<td>Annual FTEs 5</td>
</tr>
<tr>
<td>Taxes Federal</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>State $15,746</td>
</tr>
<tr>
<td>Local $15,412</td>
</tr>
<tr>
<td>of which bed tax $5,904</td>
</tr>
</tbody>
</table>

### Other Metrics

- Rooms nights sold: 573
- Peak room nights: 295
- Total visitor days: 1,362

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### ROI Results for the

**Ga Teachers Assoc.**

A 3-day Conference in 2015 with 600 attendees.

**Return On Investment (ROI)**

- **Local Tax Receipts**: $13,412
- **Local Costs**: $10,000
- **Local ROI**: $3,412
- **Net Present Value**: $3,122

**City Return on Investment (%): 36%**

**Event ROI**

**Cost Benefit Analysis**

- **Local Taxes**: $16,950
- **Costs**: $13,200
We ran the numbers for a two-day music festival with 2,000 attendees, and an assumption that 30% of participants would require hotel accommodations. Total direct and indirect economic impacts were over $116,000, supporting 2 FTEs. A two-day bicycling event yields similar results. Ten such events per year could generate over $1,000,000 annually. Admittedly, all of the money won’t remain in Milledgeville, but the benefits of showcasing the region among out-of-town visitors will multiply. Knott County, Kentucky, the community that created a county-wide adventure trails system, routinely hosts events sponsored by Toyota and Kawasaki—in a county with a population of just 16,000 people.

Find the event impact calculator here:

We have all seen economic impact studies that support development of major manufacturing plants, headquarters office complexes—even prisons. It would be ideal if Milledgeville could land such a major employer, and we have made a number of recommendations regarding incentives and branding that will make the CSH property more attractive to these types of companies. However, Milledgeville first needs to elevate its profile both regionally and nationally in order to become a player in the game of site selection and economic development. Conferences and events will bring people to Milledgeville, and showcase the region’s advantages. This is a community that has been very good at preserving the status quo—and beautifully so—but now needs development that is compatible with the historic character of the town of Milledgeville, the natural beauty of Baldwin County and the energy of 10,000 students.

One criterion that CRE heard repeatedly during the course of this study was that success must be measured in terms of jobs, and that one new job is better than none. Conferences, events and tourism will provide jobs and enhance existing businesses, particularly those service providers that comprise so much of the local economy. Whether an equestrian center, conference facility, water park, or trails through the forest, it is important to engage the entire community in the endeavor, to create opportunities to bring visitors into the community, and to bring the community to the CSH site. Impact studies have shown that indirect impacts add at least 50% to direct expenditures.

The Economics of Bicycle Tourism

We focused on bicycle tourism because the idea came up several times during stakeholder meetings, and because bicycle tourism is uniquely suited to Milledgeville and Baldwin County. “Hills and holes” was one person’s description of the topography—ideal for all sorts of trails. The climate and topography, coupled with acres of forestland and miles of riverfront, are well-suited to outdoor recreation. Can one earn a profit on it? We believe so, although further study is beyond the scope of this report. Here are some statistics developed through impact studies around the country.
• A 1992 study by the National Park Service—*The Economic Impacts of Trails*—examined the economic impact of rail trails in various locations. The study found that the average trail user spent between $4 and $11 per day depending upon the location and the opportunities to spend. Annual impacts per trail surveyed ranged from $1.2 to $1.8 million.

• *The Economic Impact of Investments in Bicycle Facilities: A Case Study of the North Carolina Northern Outer Banks (2005).* "Almost half of surveyed bicyclists earn more than $100,000 per year and 87% earn more than $50,000; 40% have a Masters or Doctoral degree, and an additional 38% reported completion of a college degree."

• *The Jackson Hole (Wyoming) Trails Project Economic Impact Study* attributed $18 million in economic impact attributed to the Teton County Trails System, with $1 million coming from local trail users and $17 million coming from non-local trail users.

• The Great Allegheny Passage is a 141-mile system of hiking and biking trails that runs from Cumberland, MD to Homestead, PA. An Economic Impact Study done in 2007-2008 found 800,000 users per year. Annual direct spending was $40.8 million; annual wages attributed to trail user spending was $7.5 million;

• A Montana survey of 700 touring cyclists over a 3-year period (2011-2013) revealed that cyclists tend to be older and more affluent than other tourists. They came from 50 states and 18 countries. Among their findings:
  o Touring cyclists have a median age of 53 years;
  o 56% have a median household income between $75,000 and $150,000;
  o Cyclists spend an average of $75.75 per day and stay an average of eight or more nights;
  o 92% expected to make another multi-day cycling trip within the next three years.  
  
  Source: *Analysis of Touring Cyclists: Impacts, Needs and Opportunities for Montana*, published by the Institute for Tourism and Recreation Research, University of Montana  [http://www.itrr.umt.edu/Research2013/Multi-dayCyclingStudy.pdf](http://www.itrr.umt.edu/Research2013/Multi-dayCyclingStudy.pdf)

• The Arizona Department of Transportation released a study that focused on the impacts from out-of-state cyclists traveling to Arizona for events, guided tours, races and training camps. The study documented $57 million in retail sales and 721 jobs created across the state.

• Chequamegon Fat Tire Festival in Wisconsin, a three-day event with a variety of family-friendly activities, grew from 27 riders in 1983 to 2,500 riders in 2014.
• The Elroy-Sparta State Trail in southwestern Wisconsin is a multi-use trail built in the 1960s. Since this trail opened, several others have been built in the area, and now the region is a popular destination for bicycling, hiking, snowmobiling and cross-country skiing, attracting 100,000 to 120,000 visitors per year. In 1991, Sparta declared itself the "Bicycling Capital of America." The entire town capitalizes on trail-related tourism; hotels and campgrounds offer free trail passes; tour operators package hotels, bike rentals and shuttle service; restaurants offer healthier food; arts and crafts stores and novelty shops serve visiting trail users.


**Iowa – Who Knew?**

Iowa—flat, square and frozen half the year—is a veritable hotbed of bicycle tourism. In fact, the Iowa Department of Transportation has prepared a number of studies that extol the varied economic benefits of trail development, to serve as a guide to local communities. One of these publications is *Implementing Trail-Based Economic Development Programs* prepared by Economics Research Associates for the Iowa Department of Transportation: [http://www.americantrails.org/resources/economics/IAecondevel.html](http://www.americantrails.org/resources/economics/IAecondevel.html)

This excellent guide was developed for communities throughout Iowa; however, the message is universal. It includes dozens of case studies from all over the United States. Businesses profiled as case studies include lodging, restaurants, outfitters and other merchants. Many cities and towns stage annual festivals in order to promote the unique identity of the community and attract riders.

The Registers Annual Great Bicycle Race across Iowa (RAGBRAI) is one of the highest profile bicycle rides in the United States. In 2008, the economic impacts were quantified by a researcher at the University of Northern Iowa. He estimated direct, indirect and induced spending was between $24.5 and $25.7 million in 2008, when there were 8,800 “travel parties” participating. In July 2014 the event attracted 20,000 participants.

**Georgia Bikes! Too**

Georgia has its own BRAG—the annual 400-mile Bicycle Ride across Georgia, now in its 35th year. The next event will take place June 7-13, 2015. BRAG also sponsors shorter events throughout the year, ranging from the Georgia Bike Fest (October 10-12, 2014) to the Spring Tune Up (April 17-19, 2015). The Winter Ride is a six-day trip starting in St. Mary’s. The last time the annual event passed through Milledgeville was in 2011.
The Tour de Georgia was one of North America’s premier professional cycling events from 2003 through 2008, covering over 600 miles in seven days. The Tour de Georgia is credited with attracting 2.3 million visitors and creating a $26 million economic impact between 2003 and 2008. The race was cancelled in 2009 for financial reasons and has not been held since.

*Georgia Bikes!* is a non-profit organization that focuses on the full range of benefits of bicycling, from health benefits and quality of life to pollution and traffic congestion. It keeps a web-based calendar of cycling events and hold workshops and conferences: [http://www.georgiabikes.org](http://www.georgiabikes.org).

Another result of our research highlights Georgia’s Silver Comet Trail, a 61-mile trail connecting seven cities and three counties from Smyrna to the Georgia-Alabama state line. Reportedly the nation’s oldest and longest paved rail-trail, it has an estimated 1.9 million users each year, more than 70% of whom are bicyclists. In 2012, the Northwest Georgia Regional Commission initiated the *Silver Comet Economic Impact Analysis* to measure the existing and future economic impacts of the trail. The report stated that the trail generated $57 million in annual direct spending, increased home values, and has helped revitalize once-struggling communities like Cedartown and Rockmart. Additionally, the study estimates that, for every $1 in construction costs, the combined direct and indirect economic benefit is $4.64. The report provides a framework for a proposed 60-mile expansion of the Silver Comet Trail, and includes design recommendations, funding sources, construction costs, health benefits and fiscal impacts: [http://www.bwnwga.org/news/silver-comet-trail-study/](http://www.bwnwga.org/news/silver-comet-trail-study/)

**Additional Resources:**

*Bicycling Means Business: The Economic Benefits of Bicycling Infrastructure* by Darren Flusche, Policy Director, American League of Bicyclists. This report highlights the economic impact that bicycle spending and bicycle tourism can have on state and local economies, and how to use state and local economic impact studies: [http://www.advocacyadvance.org/site_images/content/Final_Econ_Update(small).pdf](http://www.advocacyadvance.org/site_images/content/Final_Econ_Update(small).pdf)

The *Rails-to-Trails Conservancy* offers links to an entire library of economic impact studies for bicycle trails: [http://community.railstotrails.org/media/g/rtc-docs/tags/economic+impact/default.aspx](http://community.railstotrails.org/media/g/rtc-docs/tags/economic+impact/default.aspx)

The *Adventure Cycling Association* promotes tourism along their TransAmerica Bicycle Trail from Astoria, Oregon to Yorktown, Virginia, with a how-to guide for communities who want to build bicycle tourism in their area: [http://www.adventurecycling.org/travel-initiatives/building-bike-tourism/](http://www.adventurecycling.org/travel-initiatives/building-bike-tourism/)

The *National Trails Training Partnership* is arguably among the best sources for research into the economic impact of trails for hiking, bicycling, ATV/OHV, snowmobiles, etc.: [http://www.americantrails.org/resources](http://www.americantrails.org/resources)
Outdoor Recreation Participation Topline Report 2011, prepared by the Outdoor Foundation is a short summary of participation in “adventure sports” including hiking, bicycling, climbing, kayaking, rafting, etc.: http://www.outdoorfoundation.org/research.participation.2011.topline.html

Incorporating adventure sports into any economic development plan is a natural fit for the CSH site, and bicycle trails dovetail nicely with existing community infrastructure. The local colleges provide the demographic most likely to participate in recreational tourism and adventure sports, from high-energy students to well-educated retirees. While even passive recreation opportunities bring economic benefits from trail users and visitors, the studies discussed in this section demonstrate that bicycling and bicycle tourism is big business.
Land Use

Land Use Analysis

A land use or productivity analysis can be defined as analysis of the capacity of a property to house economic activities, supply services, and provide amenities to meet human needs. It is part of a process referred to as a highest and best use analysis, and is intended to allow one to evaluate not only the existing improvements, but also the land on which the improvements are located, as well as the community in which the property is found and the linkages connecting that community.

Generally speaking, land use analysis begins either with an evaluation of a use in search of a site, or a site in search of a use. For example, a land-use in search of a site might be an entertainment company looking for a location to be used for an amusement park, or a manufacturer in search of a community that can meet its needs for the production of its products. These types of problems are usually approached by first evaluating the need at a macro level (e.g. do we really need another manufacturing plant? And if so, what are the characteristics that we need for this new plant to be successful?). From there, the analysis drills down and becomes more specific, until a site is selected that meets these criteria.

A land-use analysis concerning a site in search of a use (or uses) is one in which the site and its characteristics are known, and the site is being evaluated in terms of what it can be used for. In this type of analysis, typically the evaluation begins at the micro level with consideration given to what currently exists on the property and the existing characteristics of the land itself. From there, the surrounding community and its existing linkages (e.g. nearby highways, navigable rivers, airports) are evaluated, and finally the larger markets are examined to identify likely uses/users for the property.

In the CSH case, the problem to be addressed is a site in search of a use, so CRE began by gathering details concerning the property itself prior to arriving in Milledgeville. We then immersed ourselves in the site and the surrounding neighborhoods, and formed opinions regarding the strengths and weaknesses of the community and the needs and goals of the Central State Hospital constituents, which either confirmed or changed our initial expectations.

Our investigation included interviews of not only stakeholders, but also community members we randomly met while visiting Milledgeville. By way of example, on the night we arrived we interviewed not only the restaurateur where we dined, but also the college student waitress who served us. Our intention was to develop insights into how the local populace viewed both Milledgeville and CSH.

Upon initially visiting CSH, our primary focus was on the existing buildings, which varied from a new, modern hospital facility to hollowed-out shells of old buildings, long past the end of their useful lives. Architecturally, many buildings were quite attractive, with fine ornamental
detailing rarely found in modern structures. However, there was also a significant percentage of buildings that were dated and unattractive, if not eerie. All of the prison facilities fell into the latter category, as did many of the former hospital wards. These were designed specifically for community service uses, and many of these design characteristics do not lend themselves well to repurposing or redevelopment. One of our goals was to develop criteria for the CSHLRA to apply in determining which buildings to keep and which to demolish.

After several days we refocused our attention on the site itself. The CSH campus is of course quite large, and could potentially be expanded further by incorporating the state-owned Bartram State Forest property located along the campus’ south line. A larger site would enable the addition of more land uses to be considered in our evaluation.

After considering first the existing improvements and the characteristics of the site itself, we examined the relationship of the campus to the Milledgeville community and its strengths and needs, as well as existing and planned linkages to the larger market area that could potentially provide even more new and different opportunities.

Buildings

There are over 200 buildings located on the CSH campus, and the vast majority of them are at least 50 years old—with many 100 years or older. While we were unable to visit every building, CRE team members inspected several buildings in the Historic Quad, since these were considered to offer the most architectural interest and historical value.

Before our arrival in Milledgeville, we reviewed several studies prepared by architectural and planning firms—some of which were completed just last year. These firms evaluated the buildings individually, and due to the scope of their assignment and their expertise, we generally defer to their recommendations in terms of the safety and functionality of each building.
Our focus was more on the development of a strategy to determine which buildings to keep and which to dispose of or demolish. Most buildings are either unused or underutilized; as a result, many exhibit evidence of water damage and other forms of deterioration which will eventually render them unusable. The type of maintenance required to protect these buildings (roof repairs, exterior painting, and moisture control through HVAC operation) is expensive, and funding is limited.

Importantly, many buildings were originally designed for uses that do not lend themselves well to redevelopment. For instance, prison buildings are typically uninviting in terms of appearance with interior walls constructed to prevent prisoners from escaping. Similarly, hospitals and long-term care facilities are typically difficult to redevelop due to their smaller rooms and wide hallways required for patient care and traffic flow.

Finally, we were advised that the state is currently spending over $14 million per year to maintain the CSH campus and its improvements. While the maintenance staff and administration have unquestionably done a remarkable job in maintaining the buildings and campus infrastructure, they have had to make difficult decisions in terms of deciding which few buildings to repair and/or upgrade, unfortunately leaving many of the other buildings without much-needed maintenance.

There is a risk that at some point, the State of Georgia will feel compelled to cut funding for maintenance of an unused facility. At that point, the CSHLRA will find itself in a position of having severely limited options, including the inability to use even the most valuable and historic buildings. Fortunately, the development authority is reported to be viewed positively by the current administration at the state government level, but as circumstances and relationships change, we believe that the CSHLRA needs to proactively anticipate issues with continued funding, develop a plan that will maximize the attractiveness of the campus to both employers and outside investors, and begin to reduce the state’s financial burden of maintaining the property.

Therefore, it was our recommendation that the majority of the existing buildings (with particular focus on those that are not currently being utilized) be evaluated and “triaged” in accordance with the following criteria:

- Recognize that the maintenance of the Historic Quad portion of the campus will provide an identity for the overall project, and can be used to position the redevelopment in a favorable fashion with potential tenants and employers. Therefore, every effort should be made to maintain the structures which are significant historically and architecturally in the area around the Historic Quad, and demolish and remove the structures that cannot be saved as soon as possible.
• In the areas outside the Historic Quad, focus on the buildings that have significance both historically and architecturally with a likelihood of being leased or sold in the near future without requiring a significant investment in redevelopment.

• Determine which of the other newer buildings can be sold and/or re-purposed, and develop a strategy for the marketing of each. During this process, one of the factors to seriously consider is whether the building and its potential users will fit the vision that the CSHLRA has for its campus.

• The number of buildings, as well as the type of buildings, to be preserved should be considered in light not only of their current condition and marketability, but also in terms of how long it might take to market all of them. Simply stated, do not keep or retain a building that will take ten years to occupy.

• Any structure that does not fit into one of the above two categories should be demolished and removed as soon as possible. Generally speaking, any buildings that are functionally obsolete and/or sited too far away from the central focus of the campus should be on this list.

Once the list of buildings to retain and market is agreed upon, any maintenance of the remaining buildings should immediately be halted, and demolition and removal pursued as rapidly as possible. Demolition and cleanup can be expensive to begin with, and even more so for the type of buildings on the CSH campus. While securing state funding will likely be difficult, it may become significantly more so in the future. At this point, the CSHLRA should take the position that this expense is necessary to both attract investment and create employment opportunities on campus, with the added benefit of eventually reducing the state’s annual maintenance expense.

Once the demolition of the surplus buildings is complete, it will become far easier to refocus on the underlying campus and the opportunities it represents.

**Land**

**Campus Size:** Despite some discrepancies, most documents indicate that the CSH campus is about 2,000 acres. In addition, the Bartram State Forest WMA located on the south line of the CSH campus could be made available as an additional 2,000 acres if desired. This is a significant amount of land and can allow for a variety of uses.
Utilities: Access to utilities is often a constraining factor in the use of properties such as the subject. However, our review of the availability of sewer, water and electrical service indicates that the utility infrastructure is not only in excellent condition, but is surplus available capacity for a significant amount of additional development. It will likely be a long time any lack of utilities constraints additional development on the campus.

Zoning: Currently, the northern third of the campus west of Vinson Highway is zoned Office Institutional (OI). According to CRE’s understanding of the zoning ordinance, this district was established to provide for institutional uses such as hospitals, clinics, churches, schools, cemeteries, etc., occurring in the more densely developed areas of Milledgeville. Areas within this classification are generally not intended to be commercial or industrial centers, which could interfere with the adaptive reuse of this portion of the property.

The area south of the portion of the campus zoned OI is currently zoned Agricultural Residential (AR), a district established to provide areas for agricultural and forestry uses as well as residential development. Manufactured homes on single parcels are considered permitted uses in this zoning district provided they are in manufactured home subdivisions.

The area to the east of Vinson Highway and north of Boat Landing Road is zoned Single-Family Residential (SFR). This district allows for site built single-family detached dwellings on minimum 18,000 square foot lots, and is the area in which the older Central State Hospital staff housing is located.

In our opinion, any redevelopment plan for the campus will ultimately require rezoning of the entire property in accordance with a new Master Plan. Because of the extended absorption period likely required for a property of this size, we suggest that any new zoning ordinances be as flexible as possible to allow for rapid responses to new opportunities, while creating zones for compatible development.

Topography: Most of the campus is comprised of gently rolling hills, with relatively severe topography found only in a few locations. Generally speaking, the topography will not be a constraint to development, although some potential large users could require a significant amount of grading if a large facility was constructed. Generally speaking, these include larger manufacturing plants and distribution facilities which require a great deal of surface parking, as well as large flat areas for the handling of materials. As a result, the flatter portions of the property generally found to the south and southwest should probably be set aside for these types of employers.

There are also a number of areas with topography suited for lakes or a series of ponds, and these areas of floodplain should be considered for park areas and related recreational opportunities.
**Oconee River Frontage:** One of the more pleasant surprises of our visit was seeing how attractive the Oconee River is, and how much river frontage the CSH campus enjoys. As the property is on the outside of a large bend in the Oconee River, it is on the high side of the river, and as such is subject to minimal flooding. This allows the river frontage to be readily developed for a number of uses, as well as for a significant amount of riverfront and river view property. An independently-prepared document indicated that the actual frontage is about 1.8 miles, significantly less than we initially thought, but one that we are inclined to agree with.

Whatever the actual amount of Oconee River frontage, this is a significant asset and one that needs to be developed pursuant to its own separate master plan that maximizes the property’s value and its contribution to the community. More specifically, CRE recommends that the existing, older single-family residential houses located proximate to the river be considered as transitional uses, and any continued investment in those buildings be recognized as sunk costs.

**Linkages:** The term “linkage,” when used in the real estate industry, refers to the time and distance relationship between a particular use and supporting facilities. For example, Milledgeville was at least in part settled due to the fact that it is located near the center of Georgia, with the Oconee River providing valuable linkage to the areas north and south.

While the Oconee River is no longer a primary linkage for the CSH campus to the rest of the state, it can provide a valuable linkage to the City of Milledgeville if the Oconee River Greenway is extended to the south and incorporated into the portion of the campus adjacent to the river, thus tying into any parks or recreational areas developed on site. The City of Milledgeville recently completed a park and trail system along the west bank of the Oconee River, and serious consideration should be given to connecting and extending that trail to the CSH campus. CRE believes that such a trail extension would be a critical first step in reviving the neighborhoods to the south of Milledgeville, while providing access to significant recreational and entertainment opportunities for the CSH campus in the future.

One of the primary constraints to the further development of the CSH campus is the lack of direct Interstate highway or rail access. Without one or both, employers requiring significant volumes of physical inputs in a manufacturing process, or highway access to distribute goods throughout the United States, would generally not consider the project to be a viable option.
However, the Fall Line Freeway, currently under construction to the south of the campus, will change that. It intersects the Carl Vinson Highway only three miles to the south of our proposed new entrance to the Central State Hospital campus. This four-lane arterial is projected to eventually link the cities of Columbus and Augusta, and will provide the areas to the south of downtown Milledgeville (including Central State Hospital) excellent access to the Interstate Highway system. When combined with several existing and proposed north-south highways in the immediate area, development of some portion of the southern half of the CSH campus for distribution or manufacturing becomes a highly viable option.

With regard to existing linkages to the City of Milledgeville to the north, CRE believes that the “front door” to the campus should be relocated from Swint Avenue to the intersection of Broad Street and the Carl Vinson Highway, reflective of the fact that the portion of the campus to the east of Carl Vinson Highway will be developed separately and differently than the portion on which the existing CSH is located. It will permit the CSHLRA to take advantage of the fact that the Fall Line Freeway will eventually significantly increase through traffic on Carl Vinson Highway.

As campus planning progresses, any opportunity to directly connect to US 441 to the west should be considered carefully. Additional direct connection to a primary north-south arterial street will provide much-needed direct access to the CSH campus, as well as the Oconee River, significantly increasing the viability of new development in the area.
**Positioning:** The Central State Hospital property is disproportionately large for a relatively small municipality like Milledgeville. Furthermore, the campus can essentially be doubled in size by adding all or part of the Bartram State Forest to the south. As different areas of the campus have specific attributes such as Oconee River frontage, existing buildings and streets, and flat or rolling topography, opportunities for redevelopment will be maximized by viewing it as different parts of an overall whole.

For instance, the portion of the property fronting on the Oconee River east of Carl Vinson Highway should be positioned as a development opportunity for water-based recreation and lifestyle development, of the sort discussed elsewhere in this report. To maintain maximum flexibility for future opportunities, we suggest the following:

- set everything east of the Carl Vinson Highway aside for the time being;
- demolish the old single-family housing, and don’t replace it yet;
- pursue connectivity with the Oconee River Greenway;
- rezone the property to maximize flexibility; and
- find a location to create a clear line of sight from the Carl Vinson Highway to the river so that people driving by or visiting the campus can envision the potential of redeveloping this area of the campus.

The northernmost portion of the campus on the west line of Carl Vinson Highway should be the first area targeted for new employers and redevelopment, due to the attractive nature of the Historic Quad and the availability of existing buildings for redevelopment and re-use. In addition, the high quality of the existing infrastructure (water service, sewer and electric are readily available) also indicates that this area should be targeted for initial marketing because of the significantly lower capital costs required for a new project. Given the financial constraints of the existing CSHLRA, this could become a deciding factor in negotiations with any prospective tenant or purchaser.

The remaining portion of the property (including, if possible, the Bartram State Forest property) should be made available for any new opportunities, but it should be positioned only for large-scale opportunities providing significant employment to the surrounding area, and which can offset the cost of required infrastructure within a relatively short time.
The procurement of flexible development rights and significant economic development benefits will greatly impact how effective the positioning of this project is in terms of attracting investment and employment over the coming decade. Many of the ideas discussed here will be more likely to work with financial and tax incentives in place not only equal to those offered in other communities but, if possible, significantly greater.

**Conclusion**

In conclusion, there are a wide variety of land use options available to the CSH property. While some of the buildings afford obvious value, others had no or even negative value, while the remainder were a mixed bag requiring targeted study and market analysis. In addition, in light of the large number of buildings coupled with the relatively small market for these types of buildings, a ruthless triage is needed to effectively save the buildings that have value both now and in the future.

Clearly the “unpolished gem” of this property is the extensive frontage on the Oconee River on its eastern boundary. The campus property is on the outside edge of a long curve in the river, almost always the high side of the river bank and tends to rarely flood. This component of the subject property is a unique asset, and may present the greatest opportunity for job and tax base creation for the citizens of Milledgeville. However, care must be taken to protect the asset from being sold or encumbered in small pieces during the holding period, or else the true potential of the property will not be realized.
Long Range Planning

Textbook definitions of “highest and best use” of real estate most commonly refer to a specific use or uses that are:

- Legally allowable
- Physically possible
- Financially Feasible
- Maximally productive

When considering these four criteria the analyst is required to apply both skills of art and science, requiring imagination, experience, and wisdom to consider hundreds of possible uses to visualize what the subject can be in light of facts studied about the property and its stakeholders. After several potential options are considered, the analyst narrows the choices to the most fitting use, and applies the sciences of finance and engineering to determine the feasibility and practicality of what is visualized. Both the artist and the scientist are restricted by the confines of the parameter of the law. The time limitations imposed on this study precluded us from being able to complete an in depth financial analysis of each of the following ideas, however, we did perform some research on each of these ideas to determine that each have a reasonable chance to succeed.

The final aspect of being “maximally productive” depends largely on the perceptions of the stakeholder’s definition of productivity. While a nuclear waste dump may be legally allowable, physically possible and financially feasible, it may not satisfy the stakeholder’s definition of maximum productivity.

The interviews CREs conducted indicated that “creation of jobs” was most desired, and any uses that accomplish that end would be truly “maximally productive.” The ideas contained herein may not immediately create the quantity of jobs that were lost when the CSH and prisons closed. However, they do capitalize on the natural strengths of the subject and its environs. These concepts will create higher regional awareness of the subject property and Milledgeville that were explained earlier in this report. These ideas can be a course of action to lead to a stable economy that will create some immediate jobs while attracting jobs for the future.

The natural beauty of the physical terrain of the CSH campus and surrounding areas lends itself well to creation of a corporate retreat in conjunction with resort centered activities. Each of the following concepts will increase the awareness of the quality of life in and around the campus, and make it truly a desirable community in which to work and play.

First, and fairly easy on which to capitalize upon, is the area north of the Pearson building known as the pecan orchard currently being used for outdoor concerts and venues. This area has natural beauty with its gently rolling terrain and architecturally significant
buildings serving as a dramatic backdrop. It creates the perfect venue for larger-named concerts to attract from a larger trade area, and should be promoted more heavily. Additional traffic would increase hotel room occupancy, restaurant sales and miscellaneous retail activity.¹

Second, the CSHLRA could seek financial support from the State of Georgia to construct a modest-sized convention center, to be used for retreats and conferences for tier three and four sized conferences by mid-sized firms, national associations and other enterprises that engage in strategic planning, team building, and educational retreats. Our preliminary research indicates that demand for these facilities is increasing. According to International Association of Conference Centers in their July, 2013 newsletter:²

“This year’s trends report gives clear signs that IACC Conference Centers are experiencing recovery and outperforming the broader hotel sector in relation to occupancies and profitability. Demand for Conference Centers grew and so did average rates, with Executive style Conference Centers performing better than average with an ADR increase of 5% over the previous year. This led to a higher than average rise in rates compared with the hotel industry average in 2012, indicating conference centers are in vogue and the choice of Meeting Planners."³

In addition, a conference center will serve as a catalyst to create other businesses as noted in the following paragraphs. It might be built along the pristine river frontage and include a golf course. The conference center should also incorporate hotel rooms and activities for spouses and families of the attendees including kayaking and canoeing along the river frontage. The existence of three respected educational institutions is an added benefit to provide guest speakers to meet the unique needs of some of the conferences.⁴ In addition, the President of Georgia College and State University indicated that they have a need for a conference facility and would consider occupying up to a quarter of its availability.

Third, the adjacency of the state Bartram Forest land provides unique opportunities. The local community has an energetic group of bicycle enthusiasts and has won national recognition for its activity in that arena. Several international associations for various bicycling events including and not limited to mountain biking, bicycle design and road races could be hosted at the newly created convention center, and utilize pre-existing trails throughout the forest. While the forest has been neglected in the recent years, it should be possible to petition the state to reactivate it in conjunction with the gentrification of the CSH campus.⁵,⁶,⁷

Fourth, the CRE analysts have been made aware of an equestrian group looking to establish a high quality equine center specializing in the rehabilitation and care of the most expensive horses in the world, with hopes of establishing colleges for veterinarians specializing in large animal care, host rodeos, national competitions, weekend rides for the experienced equestrian, dude rides for the inexperienced, and polo matches.⁸

Fifth, it was brought to our attention that the local public swimming facility was closed. The local climate lends itself well to a water park. Combined with the other concepts mentioned above, there could be sufficient activity to make this financially viable.⁹,¹⁰,¹¹,¹²,¹³
Sixth is the intriguing and interesting character to both the CSH site adjacent downtown Milledgeville being the original location of the state capitol. Thought should be given to branding this initiative, perhaps building on a theme posted on the City of Milledgeville’s website that refers to “Capital, Columns and Culture”. A specialized professional firm should be retained for a creative and remarkable branding effort, perhaps even including such attractions as a “Museum of the History of Mental Health Care”.

Footnotes

1See the “Economic Impact” Section of this report


4Georgia College and State University, Central Georgia Technical College and Georgia Military College

5www.bicycleconference.com

6www.bicyclenetwerk.org

7www.bicycledesign.net

8Contact information for Equine developer available upon request

9http://www.ibabuzz.com/tricitybeat/2009/11/19/water-park-was-profitable/

10www.waterparks.org

11www.ehow.com

12www.herva.com

Economic Development—Next Steps

The following narrative describes actionable steps in the process necessary for economic development of the CSH Site. Note that this is a prescription for a process, not specific directives to the CSHLRA that will ensure success. This process will require continuous modification and correction as the redevelopment/economic development effort progresses. Ultimately, the success of this effort will depend on how well CSHLRA can develop and institute sound business and economic development practices.

Goals, Measures and Actions

Goals, Measures, and Actions are a prescription for the CSHLRA, outlining the steps needed for meaningful and sustainable economic development for the area through the CSH site. The goals for the redevelopment of the CSH site should be simple, broad and defined for all stakeholders. They should also be memorialized and adopted by all stakeholders to support in all aspects of the redevelopment process, and to temper any future difference of opinion among stakeholders in the future. Measures offer the ability to put a tangible face upon the CSH site redevelopment effort. Measures allow the CSHLRA to demonstrate tangible results to stakeholders, state and local government, and tenants. The selection of meaningful measures needs to be carefully considered by all stakeholders prior to being adopted and monitored. Measures can also be modified by consensus as future needs dictate. Finally, meaningful and continuous actions toward the stated goals are critical for any redevelopment effort.

Immediate Actions

CRE provided a specific list of instructions for the CSHLRA over the next 90 days. These instructions were designed to kick start the redevelopment process for the CSHLRA.
**Memorandum of Understanding (MOU):** An MOU is a document that lays out specific goals and actions for an effort that requires collaboration and coordination to be successful. It can address very broad concepts or be extremely specific. The most important component for the CSHLRA is a clear definition of the goals and actions that must be taken to ensure the success of the CSH site redevelopment effort.

The MOU should address items like funding, tax abatements, lobbying efforts, community and university involvement, specific actions needed by individual parties (county, chamber, school district, etc.), or any element the CSHLRA believes vital to its success. It is critical that all stakeholders be briefed and participate in the development of this agreement. Once executed, the MOU becomes the foundation for the strategic plan and should inform and guide future agreements as they become necessary.

**Special Purpose Legislation:** Most tax incentives are governed by statute (state law), but are administered locally. As described in the SWOT analysis, the CSH site redevelopment will be in competition with every other State, County and City sponsored economic development project. The weaknesses and threats associated with the redevelopment of the CSH site can be offset by having the broadest most comprehensive incentives to be found in the State of Georgia.

The current economy and rich history of Milledgeville (and the CSH site) provide a compelling case for the State to grant the community special status over other State sponsored economic zones. However, unique status may require special legislation to be passed and signed into law.
The CSHLRA and its stakeholders should petition the State for two items:

- First, the establishment of a tax free status (property, sales, income, franchise, etc.) within the boundaries of the CSH site.
- Second, the incorporation of the Bartram Forest into the CSH site. The Bartram Forest provides frontage and improves access to SH 112, SH 243, IH-441 and the Fall Line Freeway, enhancing the success of the redevelopment effort.

If other special purpose legislation is required to achieve the goals and objectives for the CSHLRA, it should be introduced at this time.

**Identify the Best Conveyance Structure:** Successful redevelopment requires the land be used for economic development purposes. That means it needs to be sold or leased to third party occupants (businesses) and/or developers. The decision to sell or lease should be considered carefully. The sale of land transfers the property into private hands, which usually makes it taxable (unless special legislation specified otherwise). Leasing the land divides ownership and can make financing challenging, but may afford the occupant protection from taxes without the need for special legislation.

This issue needs to be studied carefully. Many Local Reuse Authorities fear relinquishing control over the land owner or leaseholder, while others are more comfortable exercising control through the establishment of Management Districts. Management Districts provide an additional layer of governance designed to benefit those in the district by providing land use and planning continuity, architectural controls, advocacy, and a conduit to financing. A Financial Advisor (FA) selected by the CSHLRA can provide guidance with respect to the best combination of statutory authority and governance over this process.

**Develop Financing Options:** Coupled with special legislation and governance, financing will be critical to the success of the redevelopment effort. Very rarely will a tenant occupy an existing structure “as is.” Typically, a landlord will provide a “tenant improvement (TI) allowance.” This allowance is effectively a “grant” to modify the leased space into a configuration that will suit the tenant. The landlord should recover the funds as they collect rent from the tenant. However, the source of funds for the TI allowance is usually the landlord. Many landlords obtain loans from various sources (including local banks) to fund the TI allowances.

Given the nature of the site, most of the redevelopment area will be greenfield or raw land. Raw land (Business Park, Residential, etc.) developers need access to financing to build streets, extend water and sewer lines, drainage, etc. Land developers often fund infrastructure expansion through a combination of third party lenders and bond sales.

If the CSHLRA is to function as a landlord and land developer, it will need access to capital tailored to its needs. This requirement should start with local lenders who should become an integral part of the redevelopment effort. The CSHLRA should develop a tenant improvement financing program with local lenders to facilitate existing facility renovation for
tenants. Furthermore, the CSHLRA should work with the County’s Financial Advisor to identify land development financing options available to them. Finally, should the need arise, the CSHLRA should explore the ability to obtain bonding authority from the State through existing statutes or special legislation.

**Begin the Strategic Planning Effort:** Starting any planning effort can often be the most difficult task. However, the first step in starting the process is determining how it will be developed. Consensus and acceptance is critical to success, but discipline and governance is important to the development of the plan. We will outline the elements that should be in a strategic plan later in this document.

The work of developing a strategic plan requires a focused team (the smaller the better) who reach out to a broader pool of stakeholders for input and opinion. The team then builds the plan, presenting draft components of the plan to stakeholders for consensus until it is finalized.

The planning team should be comprised of members of the CSHLRA, outside facilitators (research and writing), and select stakeholders. Local professionals (engineers, bankers, developers, etc.) need to be brought in periodically to address issues within their area of expertise. This team will see the project through to conclusion and the final acceptance of all stakeholders.

**Strategic Planning**

A Strategic Plan is critical for building consensus around an objective, codifying the decisions made by stakeholders, soliciting support from influencers (government, business, community, etc.), setting objectives and milestones, and tracking performance against the plan. The Plan is also a living document that should be updated periodically to address changing economic, social and government conditions. Fundamentally, the Strategic Planning Process involves a series of inputs, activities and outputs.

**Inputs:** A data collection effort obtaining information, input and opinions from stakeholders, competitors, influencers and independent third parties. The intent behind this effort is to gather information that will help in the development of an executable plan (and its sub-elements).

**Activities:** Simply put this is the process by which the stakeholders participate in the development of the plan. This is when stakeholders begin to embrace the vision they helped to create. CSHLRA leaders and constituents are interviewed, provide input and develop consensus around a vision through activities. The act of reviewing and modifying the SWOT analysis may be the best activity to start this process.

**Outputs:** The completion of the planning process should result in documented findings and decisions that will be communicated to a larger constituency. From this process a final Strategic Plan Document will be completed, along with a SWOT analysis, and sub-elements.
(Marketing Plan, Financing Plan, Operating Budget, Lobbying Plan, etc.). Finally, setting a measurement feedback process (i.e., balanced scorecard) that brings the process full circle is critical to tracking the success of the plan and future alterations, if needed.

**Strategic Plan Outline**

The development of a strategic plan should not be conducted in a vacuum. Rather, it is a consensus building product and process. When completed, the process of developing inputs, activities and outputs should be both prescriptive and adaptive. The process requires its contributors to circle back and review their efforts, findings, and actions to determine if the plan should be redressed, enhanced or left unaltered. The following provides an outline of the Strategic Plan for the CSHLRA.

**Step 1 Vision Statement:** A vision statement is more than how the CSHLRA sees, or wants to see, the future of the CSH campus. It is the foundation for the strategic plan, and a combination of current state and future state. It needs to be simple but powerful and a rally point for all who subscribe to the vision.

**Inputs:** Developing the vision statement should include the broadest number of stakeholders possible. Provide data that shows the breadth and depth of the project and the critical variables that the vision statement will attempt to address (employment, city budget, CSH budget, Fall Line Freeway, college enrollment, etc.).

**Actions:** Solicit input from all participants. Hold several meetings to show progress toward the goal, but set a deadline for input. Collect all input to develop a theme and review it with the participants.

**Outputs:** The vision statement should be used to brief with the vision’s objective clearly stated (i.e., jobs), and develop MOU’s between, stakeholder organizations and the community. It should be published and with the MOU from all the stakeholders.

**Step 2: Mission Statement:** A mission statement is directed inward to the organization responsible for achieving the vision.
**Inputs:** The Vision Statement becomes the end game for the CSHLRA, and its mission is to achieve the vision the stakeholders endorsed. Information regarding the experience, skills and capabilities within and extant (but accessible) to the CSHLRA need to be assembled for examination. The tasks required to achieve the mission should also be provided.

**Actions:** The CSHLRA needs to evaluate the vision, identify their ability to contribute to the vision and make that their mission. The mission must focus on capabilities and tools that exist or can easily be developed within the CSHLRA. For instance, a mission that included “providing financing for development projects” would not be a core capability. However, “developing financing vehicles with local lenders” would be within the CSHLRA’s abilities. Every facet of the CSHLRA’s mission should be explored and assessed in this manner.

**Output:** The mission statement should result in a brief statement that outlines the actions CSHLRA will perform. It should also identify how it will work with other stakeholders, and those stakeholders should also endorse the mission statement. Finally, the mission statement will inform and guide the rest of the strategic plan.

**Note:** Facilitators may be valuable to support the mission and vision statement efforts.

**Step 3: Objective Planning and Critical Path:** Simply stated, this is an overview of the desired outcome (usually with a timeline), and the process that will be followed to achieve it.

**Inputs:** Identification of tax incentives necessary to allow CSHLRA to compete against other State and County sponsored business parks. Data collected from State and County Economic Development agencies provide employer targets for the CSHLRA to pursue. Input regarding programs for incubator businesses in coordination with City and universities should be included. Financing and/or grant programs for prospective tenants should be introduced. All actionable data should be introduced at this time.

**Actions:** Identify near, intermediate and long term objectives. Define success and the key variables that will be used to measure success. Develop a feedback loop to evaluate performance toward the Objectives. Build course correction criteria for changing objectives and/or the critical path.

**Output:** Present the objective plan to the stakeholders and community. Make it an open book for all to see, but also advise them that it will be subject to change as new information, challenges or opportunities arise.
Note: The support of an outside consultant may be valuable here to guide the process.

**Step 4: Business Plan:** The business plan addresses the sources and uses of funds, CSHLRA’s authority to transact business on the CSH campus, how it will enter into transactions with tenants and developers, its reporting requirements, non-profit status, etc. Essentially, this plan will outline how the CSHLRA will do business.

**Input:** Data collected from other economic development organizations in the State will be valuable to this process. While the CSHLRA may wish to have some unique abilities to transact business, understanding (and following) how other State-sponsored organizations are structured will make acceptance of this plan easier by the stakeholders. Hiring legal counsel to identify the legal authority CSHLRA has (or may need) to transact business is essential. The operating costs associated with the CSHLRA organization and the care and maintenance of the facility should also be collected for evaluation.

**Actions:** Developing an operating budget that separates operating from project costs (see Capital Plan) will distinguish variable from fixed costs. Fixed costs (salaries, marketing, utilities, maintenance & repair, administrative, etc.) should be identified and budgeted. Variable costs related to projects, that are not financeable, should be identified and projected against the Objective Plan and Critical Path. These costs include attorney’s fees, transaction costs, permits, and other costs that may not be rolled into a capital or tenant improvement project. All budgeted and executed costs should be tied to specific activities for performance evaluation and adjustment. Selection of the most appropriate status for the organization (i.e., 501c3, 501c4, management district, TIRZ, etc.) should be identified in the plan as that that affords the CSHLRA the greatest flexibility to achieve its objectives.

**Output:** The result of this exercise will yield an operating budget for the CSHLRA for its normal business activities. It will also provide a breakeven point for normal operations and a target for operational independence from the State. The CSHLRA will have clearly defined responsibilities and authorities, and the correct structure to achieve its goals. Within the business plan the CSHLRA will identify sources and uses of funding for operational purposes (marketing, utilities, salaries, etc.). The plan will also describe the common actions and processes, how they will be implemented and who will execute them.

**Note:** Facilitation, accounting and legal assistance will be required.

**Step 5: Capital Project Plan:** In this instance, capital project planning should be separate from a business plan. Capital planning is project-based. Most land developments blend organizational (overhead) costs with capital costs because their goal is to sell their project and move on to the next one. In this instance, the CSHLRA will likely have a continuing role and may remain the title holder for the property in perpetuity. This requires a separate capital plan to address major expenditures ranging from tenant improvements, to building renovations, to infrastructure costs.
Input: Funding sources for capital project financing should be solicited to determine how the CSHLRA (or its tenants) can obtain capital from each. Capital sources include local banks; Financial Advisors (bond debt); City, State, and County government (grants); Federal Agencies (FNMA); Conduits (CMBS); and others. The requirements and limitations for each project funding source should be collected and matched or compared in light of incentives authorized for the CSH site.

Actions: Build expected capital project scenarios and match them to funding sources. Ensure that the capital sources endorse each scenario and provide some assurance they can commit under the conditions described (multiple sources may be required for a single project). Overlap incentives into the scenarios (one for each type of project contemplated) to identify how the CSHLRA would support a business venture of any size. Finally, provide a list of funding sources to highlight the critical path along the Objective Plan.

Output: The Capital Plan will be implementation tool for the CSHLRA to solicit support from capital sources and also be part of the marketing effort to businesses they solicit, with sample financing commitments. The plan should answer the question regarding how the CSHLRA can live up to its financial obligations as a land developer and an enabler for economic development. If grant funds are in the mix it should be used to petition those organizations to show them how the money will be used and the expected results.

Note: Selection of a financial advisor to the CSHLRA will be useful for this step.

Step 6: Organizational Performance Analysis Plan: Strategic Plans often lose their focus without a way to evaluate performance. Some organizations use various tools and methods to measure success (Balanced Scorecard, SWOT, Capability Maturity, etc.). There may be several that would be appropriate in this instance, but having a process for evaluating performance and making course corrections is critical. Performance is not limited to routine business activities. Specific economic development deals should be evaluated and critiqued in a similar fashion.

Input: Information collected from all sources (operational costs, marketing success, development costs, leasing, renovation, jobs, economy, etc.) should be filtered through the CSHLRA’s Vision and Mission Statement. Once the essential variables are identified, they should be arrayed for review and evaluation.

Actions: The CSHLRA should periodically review and evaluate their progress against its goals and objectives. Select stakeholders should be invited to participate in the process to
determine whether they reach the same conclusions about the organization’s progress. If there is disagreement, a disinterested third party could evaluate the results and provide their input and facilitate agreement between the parties.

**Output:** If the CSHLRA’s actions are consistent or exceed plan, the plan is on target and actions yielding maximum results should be encouraged. If the results show the current plan is not achieving the desired results, a modification to elements of the strategic plan may be warranted. If performance is significantly below expectations, it may be necessary to establish a new strategic plan.

**Note:** Barriers to achieving elements of the plan can come from external sources beyond CSHLRA’s control. Early identification of changing external conditions that influence performance will be valuable to CSHLRA’s success

**Summary**

A strategic plan has multiple facets and is subject to change as the business or economic development practices of the CSHLRA mature. Portions of the plan may expand to address needs and issues with greater fidelity, while other parts of the plan may not change at all. This process is designed for collaboration and consensus building around an objective.

The CSHLRA is encouraged to work with all constituents and stakeholders in a meaningful way to build this plan. As this plan is molded and shaped by the participants, it also bears up to criticism because it was built by the stakeholders themselves. Working with a large group will require facilitation to keep things moving but if managed carefully, the Strategic Plan will become a living constitution for the CSHLRA as it redevelops the CSH campus.
Appendix 1—Acknowledgements

The Counselors of Real Estate (CRE) Consulting Corps team members are proud and honored to present this report to the Central State Hospital Local Redevelopment Authority. The consulting team received full and enthusiastic support throughout this project from everyone we encountered. We saw “Southern hospitality” in action.

We appreciated both the time and the candor of all who were interviewed as part of this project—authority board members, educators, public officials, real estate professionals, and business leaders. Likewise, the local citizenry were generous sharing their perspectives—whether retirees, young professionals, or the wait staff at local restaurants.

Special recognition and appreciation are in order for Mike Couch, Executive Director of the Central State Hospital Local Redevelopment Authority, and Lauren Abis, Communications and Research Analyst, whose dedication and support have been invaluable to our work. The Authority is in good hands!

The Counselors of Real Estate are grateful to CRE David Walden who introduced the Counselors of Real Estate and its Consulting Corps to the Central State Hospital LRA. The team also recognizes the contributions of CREs John Hentschel and Jackie Buhn, who paved the way for the team visit to Milledgeville.
Appendix 2—The Consulting Team

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The Consulting Team

Counselors of Real Estate
1,100 senior real estate professionals worldwide. Membership by invitation only.
Counselors Consulting Corps Volunteer our services to municipalities, not-for-profit organizations, and institutions that could otherwise not afford us.

Our Team
- Howard C. Gelbtuch, CRE—Team Leader
- Walter S. Clements, CRE
- Maureen Mastroieni, CRE
- H.E. “Skip” Preble, CRE
- Jerry W. Turner, Jr., CRE

The Task

• What is the Highest and Best Use of the 2,200-acre Central State Hospital site?
• How do we define Highest and Best Use?
  – Usually defined in terms of dollars or profitability
  – But you overwhelmingly told us that you want jobs more than tax revenues from Central State Hospital

What We Did

• Seven Counselors made three separate site visits to Milledgeville over the past four months
• This five-person team has been here for six days
• We assembled and reviewed thousands of pages of documents
• We interviewed more than 50 stakeholders, ranging from college presidents to college students, often more than once
• We viewed the property and surrounding areas on foot, by air, and from the water
• We ate at your local restaurants and cornered the wait staff
• We drove down unpaved roads, and when the roads ran out, we walked

Project Scope

• Formulate an attainable vision and strategic options;
• Develop realistic and attainable goals and objectives (public/private partnerships);
• Delineate credible reuse options based on strengths, weaknesses, opportunities, and threats (SWOT);
• Focus efforts and resources by assessing the pros and cons of a master developer; self-managing the process with a master plan; or selling or leasing the property;
• Develop decision-making criteria to evaluate and prioritize promising opportunities and eliminate impractical options;
• Prepare a strategic agenda with the appropriate action steps to implement a strategic plan, plus a 90 day action plan;
• Final Report in 60 days.

Existing Conditions – Population and Income

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<tr>
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<th>Baldwin County</th>
<th>State of Georgia</th>
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<tr>
<td>2000 Population</td>
<td>44,700</td>
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<td>2010 Population</td>
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<td>Percent change, 2000 through 2010</td>
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<td>Percent over 65</td>
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<td>Median household income - 2013</td>
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<td>Persons below poverty level</td>
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<td>Percent Mobile Homes</td>
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<td>Homeownership rate 2010</td>
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<td>Median value of owner-occupied housing - 2010</td>
<td>$118,800</td>
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Existing Conditions - Population

- **State of Georgia**

- **Baldwin County**

Existing Conditions - Unemployment

- **State of Georgia**
  - Unemployment rates from January 2010 to April 2014.

- **Baldwin County**
  - Unemployment rates from January 2010 to April 2014.

Existing Conditions – Expenditures and Potential

- **Median household income - 2013**
  - Baldwin County: $37,547
  - State of Georgia: $47,456

- **Retail sales per capita, 2007**
  - Baldwin County: $11,267
  - State of Georgia: $12,326

- **SPENDING POTENTIAL (Index 0 – 100)**
  - Entertainment fees and admissions: 60 (Baldwin), 88 (State of Georgia)
  - Travel: 63 (Baldwin), 89 (State of Georgia)
  - Entertainment and recreation: 72 (Baldwin), 95 (State of Georgia)
  - Recreation vehicles and fees: 61 (Baldwin), 87 (State of Georgia)

Business Establishments by Number of Employees

- **Total number of firms**
  - Baldwin County: 812
  - State of Georgia: 216,308

- **1 to 4 employees**
  - Baldwin County: 417
  - State of Georgia: 120,013

- **5 to 9 employees**
  - Baldwin County: 183
  - State of Georgia: 39,118

SWOT Analysis

**Strengths**
- Educational institutions
- Natural beauty
- Strong sense of community
- Historical significance
- Strong economic base
- Strong leadership

**Weaknesses**
- Lack of public awareness
- High maintenance costs
- Poor public education
- Lack of skilled workforce
- Contamination and stigma
- Current market for previous uses limited

**Opportunities**
- Capitalization upon political capital
- Development of new industries
- Development of historic sites
- Enhancement of downtown areas
- Emphasis on education and workforce development
- Emphasis on economic programs and incentives

**Threats**
- Continued political sponsorship
- Lack of financial resources
- Continued job losses
- Continuing state budget cuts
SWOT - Strengths

- Educational Institutions
- Town of Milledgeville (History, Character, etc.)
- Consensus (Development Focus Should Be On Jobs)
- Right to Work State
- Natural Beauty
- Water Frontage (Lakes & River)
- Fall Line Freeway
- Water quantity and other infrastructure
- Several Anchor Tenants
- CSH Leadership

SWOT – Threats

- Continued Political Sponsorship & Support
- Government sponsored competition
- Competing Economic Development Corridors
- Community Apathy
- Healthcare & Primary Education Challenges
- Time
- Discontinued State Funding
- Continuing Job Losses

SWOT - Weaknesses

- Lack of public awareness
- Deferred maintenance & cost to maintain
- Perception of Poor Public Education
- Lack of Skilled Workforce
- Contamination & Reputation Stigma
- Current Market for previous uses limited
- Lack of Rail and Interstate Highway
- Lack of Financial Resources
- Lack of Differentiating Economic Incentives
- Unattractive Approach From Downtown

Near Term Uses

Building Strategy

To this...

SWOT - Opportunities

- Capitalize upon Relationships with State Government
- Develop Unique Incentives
- Leverageable heritage and nearby historic sites
- Linkage to Greenway
- Enthusiasm of Young Professionals for Action
- Leverage Skills and Support of Residents & Retirees
- Engage Church Body & Leadership
- Embrace Education & Internship Opportunities
- Focus on Emerging and Compatible Industries

Building Strategy

Let's Explore How This Plays Into Near Term Uses
Building Strategy

• Focus on only the buildings that have great significance
  – Historical
  – Architectural

• And have a good chance of being leased immediately.

Building Strategy

• Focus on the removal of buildings that:
  – Are beyond cost-effective repair
  – Are functionally obsolete
  – Are located too far from the central focus of the campus (Historic Quad)

• Building removal should be completed as soon as possible.

• Realize that there is likely a limited window of time to have buildings removed at the State’s expense.
Re-Focus Entrance

The Unpolished Gem

Re-Focus Entrance

+/- 550 Acres

Integrate Bartram State Forest

+/- 18,000 Linear Ft of Oconee River Frontage
Oconee River Frontage

- Set everything east of Vinson Highway aside for the time being
- Clear off old single family housing
- Pursue connectivity with the Greenway
- Maximize zoning flexibility
- Clear a line of sight from the road to the river

Oconee River Frontage

- The value of this property will be maximized after
  - Redevelopment is well underway on the rest of the Campus
  - Zoning is changed
  - A clear linkage to Milledgeville is established.

Building and Land Use Recommendations

Near Term Target Uses (2 yrs)
- Recreation & Leisure
- Lease Existing Structures (Interim)
- Office
- Light Industrial
- Institutional / Government

Possible Long Term Uses (Later)
- Hospitality
- Conference Center
- SF Residential
- Retail
- Golf
- Senior Housing

Big Picture Ideas

- Capitalizing on the prospects of highest and best use:
  - Legally allowable
  - Physically possible
  - Financially feasible
  - Maximally productive

Trade Area

Big Picture Ideas

- Weekend concert venues for large audiences in pecan orchard
Pecan Orchard

Outdoor Concert Venue

Outdoor Concert Venue

Big picture ideas

- Conference Center
  – 2nd and 3rd Tier Corporate Retreats
  – Association Conferences
  – Team Building
Big picture ideas

- Equine Centre
  - Training
  - Healing
  - Colleges (2 year and 4 year)
  - Hotels
  - Retail
  - Trails
  - Dude ranch rides
  - Race Track

Equine Center

International Bicycling Competition, Design and Medicine
**About Branding**

- **Customer Service**
- **Company Name**
- **Logo**
- **BRANDING**
- **Product Benefits**
- **Price**
- **Value Proposition**
- **Repetition**

**Goals, Measures & Actions**

- The communities’ interests are aligned, but their redevelopment goals need to be stated and endorsed by all stakeholders.
- Actions with results that can’t be measured create confusion and stall success, making tools to measure results critical.
- A series of immediate and continuous actions are necessary to encourage stakeholders and continue redevelopment momentum.

**Outreach to State & Local Government**

**Objective:** Leveraging relationships to achieve CSH Goals

**Action:** Identify, obtain/solicit every possible tax incentive, grant, and legislative support possible to improve CSH competitive position.

Tap into every government marketing vehicle available to promote your project (i.e., State Chamber & EDC).

**Measures for Success**

1. **Time**
   - Execute 90 day plan

2. **Permanent Jobs Created**
   - The number of Jobs Created through reuse and development

3. **Probability of Execution**
   - Cost, Closing and Completion

**Evaluation Process to Prioritize Opportunities**

Example: Array and evaluate options presented

<table>
<thead>
<tr>
<th>Time (Months)</th>
<th>Best Option</th>
<th>Unattractive Option</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. National Guard Ed.</td>
<td>5. Auto Leasing</td>
</tr>
<tr>
<td></td>
<td>2. Solar Farm</td>
<td>4. Walking Dead Museum</td>
</tr>
<tr>
<td></td>
<td>3. CorrectHealth</td>
<td>3.</td>
</tr>
<tr>
<td></td>
<td>4. Walking Dead Museum</td>
<td></td>
</tr>
</tbody>
</table>

**Strategic Plan**

**Critical Elements**

- Identify all adaptive reuse options for useable structures
- Develop a flexible land use plan to accommodate multiple land use options throughout the site
- Identify job growth goals and tie them to land use options
- Provide a list of incentives available for adaptive reuse and/or new development
- Identify project and operational funding Sources and Uses guidelines for CSH
90 Day Action Plan

1. Develop MOU with City, County and Stakeholders documenting commitment and actions for goals
2. Propose Special Legislation for incentives for businesses to locate
3. Identify best conveyance structure to ensure incentives remain with employer/tenant/user
4. Develop tenant improvement/construction financing package with lenders
5. Start Strategic Planning effort… guided by Goals and Measures

Thank You

Questions?