



## State Park Lodges Impact Analysis

### *Various Parks in Kentucky*

The Commonwealth of Kentucky engaged Hunden Strategic Partners to conduct an economic impact analysis of the lodging facilities within their 49 State Parks, which consists of approximately 17 lodging and cottage facilities. HSP proposed to examine facilities at three (3) specific parks/lodges chosen by the Client: Lake Barkley State Resort Park, Lake Cumberland State Resort Park and Pine Mountain State Resort Park.

The Client sought to know how much return on investment would accrue to the Commonwealth if the ongoing and deferred maintenance on these lodging properties is funded (versus no such funding for the next six years), resulting in updated and competitive facilities. Maintenance and capital items have been deferred for a number of years and this has and will continue to result in lower levels of occupancy and rates over time. There could be an expected stabilization in revenue and even improvement in the future if the requested \$241 million in investment is made by the legislature.

HSP measured the spending onsite and offsite in the two scenarios (with investment and without investment) and determine the resulting net new spending, jobs and tax impacts to the Commonwealth of Kentucky from this proposed investment. HSP also made marketing recommendations, given that the current marketing approach has not caught up to the digital age of online bookings and other strategies.

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**Client:** Commonwealth of Kentucky

**Time Period:** 2015