$https://www.postandcourier.com/greenville/business/casino-resorts-near-sc-border-proposed-as-georgia-lawmakers-debate-gambling-bill/article_a7b26e24-8e51-11eb-a75c-c3a4db157144.html$ 

# Casino resorts near SC border proposed as Georgia lawmakers debate gambling bill

BY ANNA B. MITCHELL AMITCHELL@POSTANDCOURIER.COM

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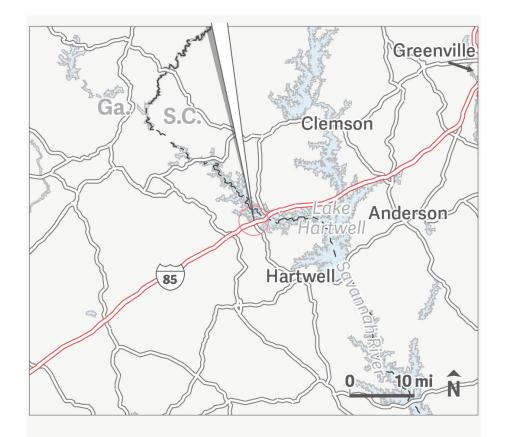
Pecan trees in the Whitworth family orchard on Thursday, March 25, 2021, near Interstate 85's Exit 177 in Lavonia, Ga. An Atlanta real-estate executive has pitched a casino resort on the nearly 500 acres of farmland, which includes five miles of Hartwell Lake shoreline. The site is less than an hour's drive from Greenville and metro Atlanta. Anna B. Mitchell/Staff **BY ANNA B. MITCHELL AMITCHELL@POSTANDCOURIER.COM** 

LAVONIA, Ga. — South Carolina does not have casinos but, if an Atlanta-based real estate executive gets his way, there could be at least two just across the state line in Georgia.

With three days left in the Georgia legislative calendar, lawmakers have gone quiet over a sports betting bill that would expand gambling in the state beyond lottery tickets and bingo. The bill in its current form does not include casinos, but adding that verbiage remains a possibility as the session draws to a close, said Rick Lackey, a commercial real estate executive who has pushed to legalize casinos since 2015.

### **PROPOSED CASINO**

Georgia lawmakers are debating a bill that would allow a casino to be built on Hartwell Lake near Interstate 85 at the Georgia/South Carolina border.



SOURCE: ESRI | BRANDON LOCKETT | THE POST AND COURIER

A pair of sports betting bills, Senate Resolution 135 and Senate Bill 142, were sent March 25 to the state House of Representatives rules committee, a critical stopping point before bills go before the full House for an up-or-down vote. "Because it's in the rules committee, it has a very good chance of getting voted on," Lackey said. "As long as that Senate Resolution is alive and has not been voted down, casinos are very much alive."

Lackey said he holds exclusive commercial listings for a total of 5,000 acres at nine sites across the state, and all of them are targeting the currently illegal casino industry.

One is an exclusive listing for nearly 500 acres on the shores of Lake Hartwell and along Interstate 85 on the Georgia-South Carolina state line. Three more listings are along Interstate 95 in Savannah, Midway and just north of Jacksonville, Fla.

The scale of the planned resorts dwarf the Catawba nation casino under construction now on 16 acres just across the state line in Kings Mountain, N.C.

"All of my listings in the state of Georgia are only for the purpose for attracting a large-scale destination resort," Lackey told The Post and Courier.

The Lake Hartwell site, a 45-minute drive from Greenville and about an hour from metro Atlanta, is among the top three in terms of interest from gambling casino companies, said Lackey, who has had a rendering drawn up to show a possible resort layout there. Population within a two-hour drive pushes 8.6 million, he said. The same firm that designed The Battery for the Atlanta Braves in Cobb County, Nelson said, also drew up the master plan for the Hartwell casino.



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### NELSON

HARTWELL GAMING RESORT

Real estate executive Rick Lackey of Atlanta had this rendering drawn up to show a possible layout of a casino resort on Hartwell Lake in Lavonia, Ga. Lackey first announced the resort project in December 2020, but it faces an uphill in the Republican-controlled Georgia legislature. Gambling is banned in the Georgia Constitution, and amending it would require a two-thirds vote by lawmakers and a "yes" vote from voters on the 2022 ballot. Provided PROVIDED

The potential economic impact of such a development for northeast Georgia and South Carolina's Upstate could be enormous, with 2,000 to 3,000 permanent jobs envisioned on site and at least that many construction workers needed to build it, Lackey said. The capital investment at the Lake Hartwell site alone could be between \$500 million and \$1 billion, he said.

## Small town, lakeside

Lavonia, Ga., the closest town to the Lake Hartwell site, boasts a single stoplight and population of less than 3,000.

"Another thing that a lot of people don't know is that generally a casino customer only spends four hours in the casino," Lackey said. "And so the people that would come and stay in the, let's say, 1,000-room hotel and other hotels around it, they during the other four hours would be visiting the communities around and going to those restaurants and shopping in those stores that may or may not even exist today. But all these small town communities would get benefit from it."

A call to the Lavonia Chamber of Commerce was not returned.

Casinos would receive no tax incentives, which tend to reduce property taxes to local coffers, Lackey added, and the state would collect a percentage of the house winnings.

Though contemplated for decades, no large-scale resort currently exists on Lake Hartwell, a 59-year-old Army Corps of Engineers reservoir with nearly 1,000 miles of shoreline touching 16 counties in two states.



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The corps does not allow development on the lake's shore, which means boaters enjoy views of mostly water and trees. A <u>corps-sponsored economic impact study</u> estimated in 2010 that the lake's 8,700 private dock owners contribute \$108 million to the local economy annually.

The property Lackey has in mind for a casino has belonged to the prominent Whitworth family of Franklin and Hart counties for decades. Hugh Whitworth started a chicken farm there in the 1930s, according to property records and a 2003 **obituary** published in the Atlanta Journal Constitution. He was a business partner of former Gov. Ernest Vandiver, also a Franklin County native, and, according to **court documents**, Whitworth developed the nearby Harbor Light Club Estates neighborhood and marina on 215 acres of Whitworth family land in the early 1960s. Whitworth and his son Shuratt, who died in 2018, owned a local bank together and launched an insurance company, too.

Today, the remaining Whitworth family property stretches from I-85's Exit 177 interchange all the way to the lake, including 5 miles of shoreline, according to property records. It straddles Hart and Franklin counties.

In addition to the casino, Lackey proposes a golf course, conference center, "estate" homes, workforce housing, three hotels, a campground, shops and family entertainment. The development would try to preserve some of the Whitworth pecan trees and pay homage to the site's heritage as an early chicken producer, Lackey said. Southerners, he said, love history.



A sign warns motorists on March 25, 2021, that Whitworth Road, which winds through the 500-acre Whitworth farm, is a dead end. The property abuts Hartwell Lake and has been owned by the same family for at least three generations. An Atlanta real estate executive is marketing the site for a possible casino resort. Anna B. Mitchell/Staff **BY ANNA B. MITCHELL AMITCHELL@POSTANDCOURIER.COM** 

"It will be on its own island," said Jowell Thome, a northeast Georgia real estate broker.

Wooden fencing along Whitworth Road marks the Whitworth family's pecan orchards and pastures where cattle graze. The only modern structure on site is a five-bedroom house, built in 1960 and still owned by Rachel Whitworth, records show.

The total property is valued at about \$11,000 an acre. Lackey did not disclose what it might sell for should a casino come knocking.

"I would tell you that within the next 30 to 90 days, there will be at least three properties in Georgia under contract," Lackey said. "And I would offer to you by January of next year, they will probably be six. I'm working with eight casinos right now."



A family walks down Main Street in downtown Lavonia, Ga., on March 25, 2021. The bustling town benefits from passthrough traffic from nearby Interstate 85 and the convergence of three state highways. Anna B. Mitchell/Staff **BY ANNA B. MITCHELL AMITCHELL@POSTANDCOURIER.COM** 

Al Braxton, a resident of the Harbor Light neighborhood, said support is not universal in his community for a 500-acre resort next door. But he said he is confident of one thing: property values would go up. Thome, not a gambler himself, also welcomed the news, saying it would be good for the area's economy. Through his firm, King Industrial, Thome has parcels at all four corners of the interchange between I-85 and Ga. Highway 77 — the exit contemplated for the casino resort — up for sale. The largest of these is 19 acres, where Dad's cafe and truck stop once operated for decades alongside a former BP gas station.

Dad's was famous for its boiled peanuts.

"It really needs to be redeveloped," Thome said. "We will entertain any offer."

Some say they disapprove of gambling, Braxton said, but there are churches that promote bingo and raffles. The lottery has been legal in Georgia since 1992 when voters approved a constitutional amendment. Alcohol has been another bone of contention, Braxton said.

"But you can buy alcohol anywhere you want to," he said.

Buying a cocktail in public was not legal in Hart County until December. Church buildings dwarf commercial structures in the town centers of Hartwell and Lavonia. Lavonia made headlines nationwide in the early 2000s as the city tried for years to get a strip club on I-85 shut down. It



A sign for the former Dad's gas station fades under gray skies on March 25, 2021. The gas station operated for decades at Exit 177 on Interstate 85. Today, the exit is all but abandoned, with all four parcels at the corners of the interchange for sale. An Atlanta real-estate executive says he wants to develop 500 acres nearby for a casino resort. Anna B. Mitchell/Staff

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succeeded in 2008 after buying the business, Cafe Risque, for \$1 million, <u>NBC</u> <u>News</u> reported at the time. The property is now home to a Cracker Barrel.



#### REAL ESTATE

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Concern that a casino might attract crime or vice has come up during meetings with property owners, Lackey said, but he said he has the same answer for everyone. The resorts he has in mind are high-end and loaded with security. Typically, he said, casinos also draw up agreements with local governments to beef up first responders and to support education.

"The problem that most police forces have been concerned with more than anything else is what happens when people leave the property, and is it going to increase people possibly drinking and driving," Lackey said. "But that same thing is going to happen if you have a restaurant that serves alcohol."

## **Bill and resolution**

The state of Georgia's legislature works in two-year terms, and 2021 is the first of two.

With the March 29 docket for the House rules committee already full, the proposed gambling measures have just March 30-31 to make their way from the rules committee to the House floor. Both Senate Resolution 135 and Senate Bill 142 have already passed the state Senate.



A vending machine at the Georgia Welcome Center on Interstate 85 in Lavonia, Ga., sells lottery tickets on March 25, 2021. An amendment to the Georgia constitution legalized the lottery in 1992. Anna B. Mitchell/Staff

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The worst-case scenario for casino advocates is that the sports betting legislation passes as-is without casinos added. That would require a separate casino bill to go through the legislative process beginning in January 2022, without the same level of bipartisan support a bill containing both sports betting and casinos would receive.

"If they vote for sports betting and it doesn't include casinos, it's a vote against 50,000 jobs and \$1 billion in capital investment in the state of Georgia," Lackey said when The Post and Courier reached him March 26.



A car passes a sign for Interstate 85 near Exit 177 in Lavonia, Ga., on March 25, 2021. Within a couple hundred feet of the exit is Whitworth Road a roadway into the 500-acre Whitworth farm. An Atlanta-based real estate executive is aggressively marketing the site as a future casino resort. Anna B. Mitchell/Staff

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If, on the other hand, the measure fails to reach the House floor for a vote before the session ends March 31, lawmakers and casino advocates will have nine months to work out their differences.

Republican lawmakers in Georgia generally support sports betting, something backed by sports team owners seeking higher TV ratings. Democrats want the casinos, which create jobs and draw enormous levels of investment.

Georgia lawmakers in Hartwell, Savannah and Columbia who have supported sports betting and gambling casinos couldn't be reached. They were consumed this past week with legislation overhauling elections in the state, **which passed March 25** and was immediately signed into law by Gov. Brian Kemp. At one point last month, Democrats held the sports betting legislation hostage as a negotiating point to ease voting restrictions, the Associated Press reported on Feb. 25.

"Yesterday was a little busy," Lackey said.

If gambling does pass with the addition of casinos, Georgia's 1983 Constitution would still have to be amended. The next stop would be to put the measure before voters in the form of a referendum in the November 2022 General Election.

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Anna B. Mitchell covers business and education in Greenville and previously worked at The Greenville News. She studied history at University of North Carolina and holds an MBA from University of Applied Sciences in Würzburg. Anna enjoys playing bassoon.