

New operators of long-languishing, state-owned Honey Creek Resort have 'skin in the game'



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Des Moines Register



Beth Henderson and her husband, Terry, got the keys to Honey Creek Resort in April.

Since then, the pair say the long-struggling, state-owned facility on Rathbun Lake, about 80 miles southeast of Des Moines, has seen a

"whirlwind" of activity, including painting, updating amenities and installation of new attractions.

"We've been busy," Beth Henderson said Wednesday as the couple welcomed reporters for a look around. "We had a busy summer."

Opened in 2008, Honey Creek, a \$60 million [pet project of the Iowa Department of Natural Resources](#), faced declining revenues for years.



The Iowa Legislature in 2013 authorized a \$33 million bailout to pay off outstanding bonds. Three years later, the state awarded a 15-year

management contract to Delaware North Companies, an operator of hotels, restaurants and other amenities at state and national parks throughout the United States. But Delaware, too, failed to stabilize the resort, a situation that [only worsened with the onset of the COVID-19 pandemic](#). It ended its contract in 2021, 10 years early, citing financial struggles.

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[The DNR selected Achieva Enterprises Inc.](#) — of which Beth Henderson is president and CEO and her husband is a board chair — earlier this year to take over Honey Creek's 105-room hotel, cottages, golf course, marina, RV park, restaurant and conference space.

These days, Honey Creek is almost at capacity on the weekends, the Hendersons said, though visits are slowing down as the temperatures drop. They plan to keep the resort open year-round.

Their goal? An average annual occupancy rate of 60%.

"We're optimistic. We know we need to get people here in these winter months," Beth Henderson said. "History has it that on Thanksgiving, (Honey Creek) was full because there was a big buffet. We're bringing that back. We're bringing the holiday weekend packages back, and we couldn't be more excited."

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Honey Creek Resort's new owners introduce new attractions

Under the couple's watch, the resort has been open since day one, as required by their deal with the state. They were honoring reservations and hosting a conference shortly after taking over, though that hasn't stopped them from making updates to the neglected facility.

While they didn't disclose the amount they've spent on sprucing up Honey Creek, they said they are "well ahead" of the \$1.6 million they're state-mandated to spend on enhancements over the next six years.

Nearly every wall inside the hotel has seen a fresh coat of paint, with plans in the works to rip out the dated carpet and replace less-than-stylish furniture. A nature center, turned into a storage facility by the previous operator, underwent renovations to become the Depot — a general store serving snacks and beverages with a bourbon bar upstairs.

Two horse-drawn carriages, a petting zoo and a miniature train are now main attractions.



Still coming is a coffee shop, multipurpose arena and tribute hall that would provide virtual exhibits, shops, concessions and mini golf.

"People say, 'Wow, I didn't have any idea that Honey Creek did this,'" Terry Henderson said. "Well, right now, at Honey Creek Resort by Achieva Enterprises, we do do this, and we're going to continue to make significant enhancements."

Why did the Hendersons take over Honey Creek Resort?

The pair, who previously lived in Indiana, bought land in nearby Centerville in 2019, near where Beth Henderson's grandfather grew up. They were aware of Honey Creek Resort and planned to visit the facility as guests, her husband said, then began to look at the resort in a new light once they heard about the state's plan to hire a private contractor to run it.

"We have an agriculture business, training business and our intent was to expand the business into Iowa. We thought we could do conferences here," Beth Henderson said.



"This is where a lot of our customers are within driving distance. Nine months out of the year, the off months are when all your meetings for agriculture take place," her husband added. "It's kind of a perfect match."

What the Hendersons lack in tourism experience, they say they make up for in their familiarity with private and public partnerships.

Achieva provides technical training, communications and government and public affairs-related services for agriculture companies. Terry Henderson previously worked in the government and public affairs office for the agriscience company now called Corteva. He and his wife both previously ran for office in Indiana.

While the pair have yet to seek assistance from within the tourism industry, they say they've had extensive discussions with Debi Durham, director of the Iowa Economic Development and Iowa Finance authorities.



The couple say that they first [put together a proposal and a video](#) of what they believed Honey Creek Resort could become to present at a PACT Iowa (Promoting Appanoose & Centerville Together) meeting that Gov. Kim Reynolds attended.

Terry Henderson recalled Reynolds walking up to them and asking if they would be interested in helping privatize the resort.

"We told her yes, we would be, provided we could work together," he said. "Something we talk about a lot is skin in the game. Believe me, we have skin in the game."

What will the Hendersons do differently with the resort?

The resort's previous operator, Delaware, [was supposed to pay the state a portion of its profits](#) — \$1 million a year — after Honey Creek's annual revenues hit \$7 million. But the resort's revenues and occupancy dropped even before the pandemic hit, from \$6.2 million in fiscal year 2018 to \$5.9 million in 2019.

According to PACT Executive Director Michael Matthes, that loss was due to the company's decision to close in the off-season. Honey Creek previously had been open year-round.



"The state who, in our opinion, should not be in the resort business, hired the wrong company," Matthes said. "If you're closed half the year, it's hard to make profit."

The Hendersons are banking on correcting Delaware's misstep as their key to success. The resort not only will stay open year-round, but will offer seasonal activities to bring guests back over and over again.

Haunted hayrides with headless horsemen, sleigh rides and Christmas villages are a few of the offerings Honey Creek will have in store as the seasons change, they said.

With improvements ongoing, the couple hope the winter months will be a turning point for the resort.

"We're doing the priority things first, but we are committed to making (Honey Creek) what it can be, what it should be," Beth Henderson said.

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