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State Parks and the Economic Impacts of Their Visitors within Gateway Communities

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“Recent literature has identified interesting and complex economic relationships between gateway communities and their nearby recreational sites (Keith et al 1996; Machlis et al. 1996; Morgan 1996). In this issue of Community Economics, the economic impacts associated with visitors to the Wisconsin State Parks and Trails System, are examined using recently completed applied research.”

Rural development planning increasingly focuses attention on recreational use of natural amenities and the tourism development brought about by increases in visitor spending. Parks and trails allow for recreational access to the natural amenity base of regions across the Lake States. Use of parks and trails attracts an increasingly large number of outside visitors who spend money in local business establishments. Furthermore, residents throughout the Lake States are regularly impacted by visitors to their locale brought about by the available amenities found within and around their communities.

An emerging concept in nature-based tourism and rural development is that of a “gateway” community (Howe, McMahon, and Probst 1997). Simply stated, gateway communities are cities, villages, and towns that serve as host communities for nearby recreational destinations. Of specific interest to the contemporary debate are questions that underlie community development conflicts pertaining to local land use, economic development, and nature-based tourism. Recent literature has identified interesting and complex economic relationships between gateway communities and their nearby recreational sites (Keith et al 1996; Machlis et al. 1996; Morgan 1996). In this issue of Community Economics, the economic impacts associated with visitors to the Wisconsin State Parks and Trails System, are examined using recently completed applied research.

State parks and trails provide an important driver of recreation and tourism within rural communities. They exist as a significant set of

locally-based natural and cultural amenities. A multi-year year study was recently completed to evaluate impacts of the Wisconsin State Parks and Trails System on communities across the state¹. Specifically, face-to-face and written mail surveys were combined with statewide telephone surveys throughout the study period. Results provided important information on both current recreational characteristics and perceptions of local community residents regarding trends that have been experienced over time. The focus of this applied research addressed the system of state-owned parks & trails in relation to their surrounding communities. Specifically, we were interested in the economic and social consequences of state parks and trails within locally-defined regions across Wisconsin. Results were intended to help us understand the role nature-based amenities play in rural economic vitality.

¹ Interested readers are referred to the publication entitled “State parks and their gateway communities: An assessment of development and recreation planning issues in Wisconsin” authored by Dave Marcouiller, Eric Olson, and Jeff Prey. This is available by contacting the Center for Community Economic Development at (608) 263-4989. A downloadable version is also available on the web at <http://www1.uwex.edu/ces/pubs/showpubs.cfm?theid=106>.

Results of the survey suggested that there were significant differences between parks and trails visitors with respect to occupational structure with trails visitors tending to be employed within more "white collar" professions. There were also significant differences in annual household income between parks and trails visitors. Overnight visitors to State Parks were largely comprised of people who enjoyed camping. Just slightly more than one-quarter (27%) of Wisconsin residents visited parks or trails regularly.

Results also suggested that the effect of the state parks and trails system on communities throughout Wisconsin is both important and complex. From an economic impact perspective, we found that while traveling, parks and trails users focused their spending on groceries, eating & drinking, and automobile-related items. In total, this spending amounted to an average of about \$190 per group per trip. The level and type of spending was largely determined by group type, length of stay, and availability of local business offerings. Local park & trail user spending was key to increased local economic benefit. The economic impacts of park users were measured by focusing on new dollars flowing into the state (or local region). Results suggested that out-of-state park users injected roughly \$225 million into the Wisconsin economy during the 12 month study period (1999/2000). This translated into a total impact of this injection of new dollars into the state economy of roughly \$350 million annually.

Results of the case study focus groups suggested that local civic leaders in gateway communities were generally positive about the role of parks and their visitors in contributing to local economic development. Local civic leaders were also concerned with how tourism compared with other forms of development. The potential of tourism was well-understood as a source of business receipts for owners of retail and service firms. Local residents voiced the concern that although park & trail visitors spent money locally, they also placed increased demands on locally provided services. It appeared difficult to generate support among local residents for the seasonal economic boost associated with tourism, especially given displacement of local use, the increased need for local service provision, and the perceived marginal benefits associated with visitors being present within their local community.

Amenities are characteristics of places that make them pleasurable. They often represent cultural, natural, and lifestyle characteristics of communities. As economies develop and grow, amenities become increasingly important to community residents and to the locational decisions of people and firms. As a result, long-term residents of amenity-based communities face a variety of difficult transitions including (1) the source of economic sustenance, (2) economic dislocation, and (3) change in social and cultural values. To be sure, amenities and their users will dictate a significant portion of the rural development issues to be faced during the 21st Century. This is true throughout Wisconsin and elsewhere. Transitions among alternative amenity migrant types begin with short-term destination tourism and progress to permanent in-migration.

In conclusion, the integration of parks & trails into local communities as viewed by locals varies widely. From a research perspective, continued effort needs to target a more critical understanding of rural development, *gateway communities* and amenity migration in the Lake States. The more comprehensive perspective linked with progressive local planning efforts can be key to affecting the level of locally available amenities and the impacts associated with their usage. Throughout the state, the Wisconsin Parks and Trails System provides a significant amenity base which leads to important opportunities for regional tourism and its associated business growth. Incorporating this amenity base with local planning efforts can maximize the benefits derived to residents of Wisconsin and ameliorate any potential detrimental effects.

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