

Stonycreek River Economic Impact Study

Benscreek Canoe Club builds support for Quemahoning Dam releases

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Quemahoning Dam Release
Inadequate Release Mechanism

Impact gets attention, but when seeking broad community support for a whitewater stream, “impact” means “economic impact.”

Advocates for the Stonycreek River between Somerset and Johnstown, Pennsylvania, are using that point to generate support for dam releases for whitewater activity, and they’re making progress.

The Benscreek Canoe Club worked with the Pennsylvania Environmental Council to revise American Whitewater’s template for an economic-impact survey and have produced an economic-impact study showing that the Stonycreek Rendezvous brought an estimated \$35,000 into the local economy from non-local boaters in just one weekend.

The Rendezvous each year is promoted by the Benscreek Canoe Club and American Whitewater. The weekend event includes various water-related activities on the Stonycreek Canyon (class III-IV), Upper Gorge (Class IV) and on seven tributary creeks (class III-V). The weekend features a designated campground with food, music, gear and equipment auctions, and a rodeo and race.



Stonycreek Rodeo

However, water levels usually are sufficient for whitewater boating only in the early to mid-spring and after heavy rains. So local boaters can enjoy these streams after a summer storm, but those living farther away come infrequently.

Boaters interested in extending the paddling season into warmer periods have been joined by whitewater outfitters, environmental groups and American Whitewater in proposing timed releases from Quemahoning Reservoir, which would feed the Stonycreek Canyon between Hollsopple and Carpenter's Park. The purchase of the "Que" by a new public authority moved this discussion into the public arena for the first time last year.

While many whitewater rivers have sizable pools between each section of rapids, the Stony Canyon has a favorable ratio of whitewater to flatwater, and offers more than 100 hydraulics and surfing waves in a wide range of size and configuration. As a result, the river can accommodate a large "playboating" population of diverse skill levels without becoming overcrowded.

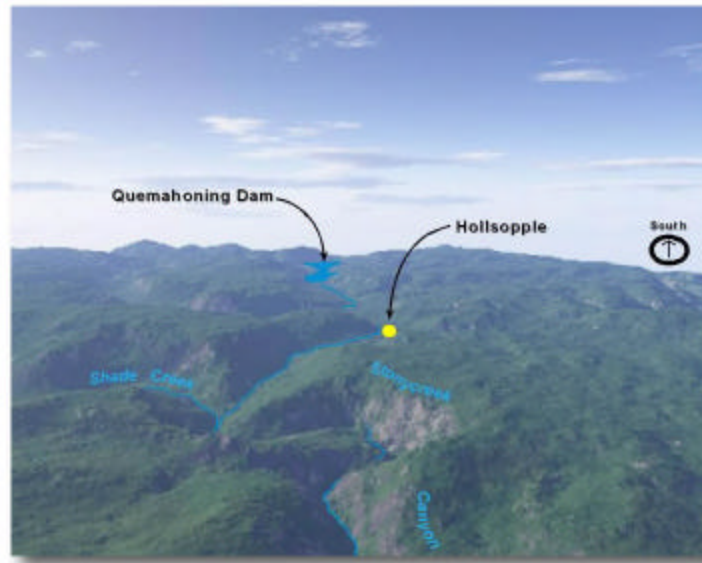
Initially, the newly formed Cambria-Somerset Authority indicated it would not consider whitewater releases. But after a concerted push by the Benscreek Canoe Club and other river advocates, the authority has informally agreed to consider releases after it completes a detailed assessment of the reservoir's hydrology.

"The economic data was a key in getting the authority to listen to whitewater enthusiasts," says the Benscreek's Canoe Club president, Steve Podratsky.

The Johnstown-Somerset area in the 1980s had the nation's highest unemployment when the coal and steel industries plummeted and it still struggles to overcome that legacy. The region has diversified into defense manufacturing, health services, R&D and tourism, and a study published last year by the Milken Institute listed Johnstown among the nation's 50 cities with the greatest growth in high-tech jobs. But the community typically still has the highest unemployment rate among Pennsylvania's metropolitan areas.

"Unemployment has remained relatively high because this area has a low cost of living, safe and friendly communities, a wealth of outdoor recreation and beauty, and many people with strong family ties who just won't leave town even if they don't have a job," says Len Lichvar, president of the Stonycreek-Conemaugh River Improvement Project, a local watershed advocate. "We're trying to build on our strengths, outdoor recreation is one of those strengths, and I think our community leaders are finally beginning to recognize that we need to do everything we can to maximize the economic bang we can get from our rivers through tourism."

Since the Stonycreek is near the four-lane Route 219 and easily accessible via the Pennsylvania Turnpike from Pittsburgh, Harrisburg and the Baltimore-Washington area, the Stonycreek Rendezvous has been attracting many non-local boaters.



Stonycreek Canyon Region

The boaters were surveyed during the Rendezvous on April 9-11, 1999, and another survey was conducted two weeks later on April 24-25 during the Stonycreek Raft Run, an outing conducted by professional outfitters from Ohiopyle, Pennsylvania.

Three distinct sets of data were generated from the two weekends of surveys:

- ?? Data on participants in the nationally promoted Rendezvous weekend April 9-11; analysis of survey results indicates that local spending by approximately 500 participants totaled \$37,670 for the weekend, with \$34,970 of this spending coming from non-local boaters.
- ?? Data on participants in a locally promoted raft trip; analysis indicates that 144 participants spent \$5,070 on boating-related activities; however, because the event was promoted only in the local area, very few boaters came from outside the local economy and there was almost no influx of dollars into the local economy.
- ?? Data on kayakers who happened to be on the river during the raft outing; this was a very small sampling (12 boaters), but their spending patterns were very similar to those during the Rendezvous, providing at least some support for using Rendezvous data to project annual impact from hard boaters over a year-long period.

During the Rendezvous, 158 people or 31% of participants filled out the survey forms, a sufficient sample to project spending by the entire group.

Among the demographic findings that are helping to build local support: a large majority of the Rendezvous participants — 80% — reported that they had come to the region specifically to boat, meaning they are “importing” dollars into the local economy. And hard boaters in general are better educated and have higher incomes than the local raft-trip participants. The striking

figure that 75% of the hard boaters surveyed had at least a college degree is consistent with other demographic reports of people who participate in this sport. Likewise, one-third of hard boaters reported incomes over \$60,000 per year, and 28% of the hard boaters had incomes of \$40,000 to \$60,000 per year.



Showers Rapid

Some respondents did not answer any of the spending questions. The study assumed that these respondents spent nothing. In addition, many surveys were filled out in the middle of the weekend and therefore may not reflect spending that took place later in the weekend. These factors suggest that the economic projections used in this report are likely conservative and may understate actual spending.

Survey respondents reported that they had spent \$16,070, or an average of \$101.71 each. If each respondent was paying for 1.35 persons on average, then average trip spending per person was \$75.34. If that number accurately reflects the spending patterns of all 500 participants, then total spending for the weekend was \$37,670.

In measuring economic impact, it is necessary to distinguish spending by people from outside the area; “economic activity” originates when new dollars are brought into an economy. Respondents were asked to provide their zip code, so it was easy to distinguish locals from non-locals.

Of the 158 survey respondents, 127 (80.4%) were from outside the local area. Applying that ratio to 500 participants indicates that 402 of the participants were not locals.

Non-local respondents reported that they had spent \$14,362, or an average of \$113.09 each. But each reported paying for 1.30 persons on average, so average trip spending per person was \$86.99. Respondents on average stayed 1.85 days, so average spending per person per day was \$47.02. If the estimate of \$86.99 per person accurately reflects the spending of all 402 non-local participants, then new dollars spent in the local economy this weekend totaled \$34,970.

As expected, people who traveled further distances to attend the event spent more money on average than those who came less distance. Eighty of the 158 survey respondents (50.6%) traveled more than 100 miles to participate, and they averaged \$99.89 each (\$53.99 per person-per day).

Surveys asked how many trips were made to the Stonycreek River each year, and how many more trips would be made if the river had boatable flows.

Non-local respondents reported, on average, that they had boated the Stonycreek River 2.0 times in the past 12 months, but that they would make an additional 4.8 trips per year if the stream had reliable flows. If spending patterns reported on Rendezvous weekend accurately reflect spending patterns during other visits, then annual local spending by the 402 non-local people on three trips over the year would be \$104,910, and if they averaged 7.8 trips each based on dam releases assuring boatable flows, the direct spending would be \$285,963.

Twelve kayakers were surveyed along with the raft-trip participants on April 21-22. This is not a statistically significant sampling, but total spending reported this weekend was very similar to spending reported during the Rendezvous. Kayakers surveyed this weekend spent on average more on lodging than Rendezvous participants who had a low-cost camping option; but Rendezvous participants spent more on equipment and gear with the vendors who were on hand that weekend. The trade-off, paying more for lodging but less for equipment, resulted in almost identical spending numbers: \$98.20 per person on this weekend vs. \$101.71 on Rendezvous weekend.

This suggests that kayaker spending on other visits to the Stonycreek region may be very similar to that reflected on the Rendezvous weekend.

Economic multipliers estimate the impact of spending as it circulates in an economy. For instance, in buying lunch, some of the money goes to out-of-the-area food producers and suppliers, but much of it stays in the local economy in local purchases of goods and services by the restaurant (indirect impacts), and in earnings and benefits of owners and employees (induced impacts). The total of direct, indirect and induced impacts are known as total impact.

Although multipliers are developed from complex models, a local study on travel and tourism calculated a multiplier of 1.6. Using this multiplier, the total impact of spending by non-locals during Rendezvous would be \$55,952. If this select group of boaters averaged 7.8 trips per year, total impact would approach a half-million dollars a year: \$457,541.

And these numbers reflect only the spending that would be generated by the Rendezvous participants. If the Stonycreek could boast boatable flows during warm weather, far more people would come and the river's reputation would grow.

With a realistic projection that the Stonycreek can bring an influx of over a half million dollars a year into the local economy, our river is finally getting the attention it deserves.