The Economic Importance of Outdoor Recreation in Chelan and Douglas Counties, WA

Current Contributions and Future Potential

June 2017

Prepared for:

Chelan-Douglas Counties Outdoor Recreation Study Steering Committee

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Acknowledgments

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ECONorthwest prepared this report for the Chelan-Douglas Counties Outdoor Recreation Study Steering Committee. The Steering Committee members are:

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Assistance notwithstanding, ECONorthwest is responsible for the content of this report. ECONorthwest staff that contributed to this study include Mark Buckley, Joel Ainsworth, Kevin Frazier, Austin Rempel, Ali Danko, Morgan Shook and others. The staff at ECONorthwest prepared this report based on their general knowledge of the economics of public and private resources relevant to outdoor recreation and this region in particular, and how people benefit and markets are impacted. ECONorthwest also used information derived from government agencies, private statistical services, the reports of others, interviews of individuals, or other sources believed to be reliable. ECONorthwest has not independently verified the accuracy of all such information, and makes no representation regarding its accuracy or completeness. Any statements nonfactual in nature constitute the authors' current opinions, which may change as more information becomes available.

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1. Executive Summary

This study provides an investigation and analysis of outdoor recreation's economic importance in Chelan and Douglas counties as well as an assessment of demand, supply, and key investment opportunities. Overall the study indicates a relatively small yet growing direct economic importance of outdoor recreation, but an expanding and broadly necessary indirect economic importance.

The region has a relatively strong set of industries that support outdoor recreation and related tourism. Outdoor recreation is particularly complementary to key large and growing industries including health care and electronic commerce in terms of attracting businesses and professionals.

Activities with high participation rates among residents and visitors include hiking and other trail-based activities (including snow-based), fishing, non-motorized boating and downhill snowsports. Activities with high overall expenditures, particularly for non-local visiting parties include downhill snowsports, hunting and fishing, and secondarily trail-based activities.

Key Numbers for Return on Investment for Outdoor Recreation in the Region

- **1.59 local economic multiplier on recreation spending**
- **Non-local average overnight trip expenditures per party:**
    - **Downhill skiing/snowboarding - $1037**
    - **Fishing - $615**
    - **Hiking/Biking - $360**
    - **OHV - $268**
- **Highest demand activities:**
    - **Trail-based (including winter/snow)**
    - **Fishing**

Important investment needs include improving in-town opportunities and connections to regional resources, improved accessibility in including information and infrastructure, and rental housing capacity. Population growth and demand, combined with climate trends will increase demand across activities, including pressure on key developed resources such as trails and campsites.

2. Introduction

2.1. Background and Project Objectives

Natural resources in Washington State have always played a central role in the quality of life for residents and visitors alike. The beauty, support for public health, and basic needs like clean air and water, food and materials are some of the evolving roles these resources play in the livelihoods and lifestyles of residents and visitors in Chelan County and Douglas County. Increasingly, the opportunities to access natural areas for recreational, cultural, social, economic, and cultural purposes are growing in importance. Several factors and trends are converging to drive growing interest and importance in well-developed opportunities for outdoor recreation in this area. Regional and national trends show the increasing importance of outdoor recreation to lifestyle not as an occasional interest but a central driver for where people choose to live and work. And as public health conditions deteriorate and issues with obesity and increasing electronic screen time for children increase, the importance of finding healthy and engaging activities for youth and other sensitive populations grows.

Chelan and Douglas County leadership and community representatives recognize the important opportunity they currently face as the region plans for its economic future. As the region's industrial composition shifts, there is an increasing recognition of the comparative advantage it holds in access to world class natural resources for recreation. The mountains, rivers, national forests, days of sunshine, and developed amenities including trails and skiing all contribute to unique opportunities.

This study is an effort to inform these ongoing decisions both by compiling and applying the array of existing data and research concerning the current economic importance of the region's outdoor recreation opportunities, but also to interview and survey leadership, residents, and visitors to highlight the key needs for the region to achieve its full potential in terms of collective goals for those who currently reside in the area, and those who may choose to in the future.

Study Questions

The Wenatchee Valley Chamber of Commerce and other community leaders convened the Chelan-Douglas Counties Outdoor Recreation Study Steering Committee. The Committee identified a series of research questions for this project to inform community efforts moving forward. The overarching questions for this effort, addressed in this project are:

- **What is the economic importance of outdoor recreation in the region?**
- **What are its current contributions to the region?**
- **What role does outdoor recreation play in the region's quality of life?**
- **What are key strategic objectives for maximizing potential?**

Specifically addressing these questions includes investigating numerous specific issues including:

- The economic importance of the outdoor recreation industry
- The economic importance of outdoor recreation opportunities indirectly to other industries
- The value of outdoor recreation and natural attributes to the quality of life of Chelan and Douglas County residents
- The demand and trends facing outdoor recreation resources in the region
- Expenditures associated with regional outdoor recreation participation and trips
- Key regional comparative advantages and investment opportunities

- Lessons from reference areas and communities
- The return on investment of existing outdoor recreation assets and high-opportunity future investments

Project Method Overview

This project proceeded through several phases in order to address the series of questions posed. Initially it involved several meetings and interviews to better understand the context and issues at hand from the range of perspectives: by activity type, community, and institution. Next, a comprehensive literature and data review compiled and applied all relevant existing data and information. After assessing the gaps in existing and available primary and secondary data sources, the project team worked closely with the Steering Committee to develop and implement a survey of residents and visitors addressing key data gaps. Interviews and roundtables complemented these quantitative efforts.

This report is structured so as to initially provide context and background on the current economic importance of outdoor recreation in the region, followed by details on the supply of and demand for outdoor recreation in the region. This includes analysis of motivation and participation driving outdoor recreation as an industry in the region and summarization of existing studies and analyses relevant to the research questions. Comparisons to reference areas and communities support these assessments, and consideration of future potential. Then, results of the surveys provide a deeper dive into priorities and opportunities based on direct responses of residents and visitors from throughout the region. Finally, we provide a synthesis with specific implications for communities and activities, with key findings.

A self-selected survey of residents and visitors was conducted as part of this study. Steering committee members played important roles in development, dissemination, and incentivizing responses for this study. The survey had 1243 complete responses. Resident respondent distribution generally matches community size distribution in the region. See the Appendix for more detail on the survey and results not described in the main body of the report.

Note that numbers in tables in this report are often reported with more precision than underlying data dictate as significant digits in order to maintain detail for subsequent calculations and replicability. Final summary tables for key findings are reported at more accurate levels of specificity.

Key Section Findings

- ***Agriculture, government, and health care remain the leading industries in the region.***
- ***Businesses associated with recreation and tourism collectively provide nearly 20 percent of private regional employment.***
- ***Every dollar spent on outdoor recreation in the region results in $1.59 in total spending.***
- ***Potential "lifestyle" clusters of Electronic Commerce and Health Services dominate private non-agricultural employment and can benefit from well-developed natural and recreational amenities to attract skilled workers and entrepreneurs.***

3. Economic Importance of Outdoor Recreation in Chelan-Douglas Counties

3.1. Regional Economy Profile

The Chelan-Douglas region had 69,000 employees in 2015 that generated $4.6 billion in gross regional product (GRP) (value added locally) and $8.5 billion in output (total value of sales or revenue), according to the U.S. Bureau of Economic Analysis (BEA). The Chelan-Douglas area accounted for 1.7 percent of employment and 1.0 percent of GRP in the State of Washington in 2015. The region's economy is focused in agriculture, government, retail, and health care activities that account for over half the region's employment.

Table 1. Market Characteristics by Industry in Chelan and Douglas Counties (2015)

Industry	Employment	Output	Employee Compensation	Taxes on Production and Imports	Average Compensation
Farm	14,761	$718,017,750	$368,668,073	$2,009,676	$24,975
Mining and Gas	1,025	$182,704,059	$28,602,990	$6,161,707	$27,912
Construction	2,543	$403,419,946	$76,234,556	$6,922,401	$29,974
Manufacturing	3,152	$1,248,185,619	$165,136,328	$21,887,037	$52,385
Wholesale	3,029	$657,180,176	$162,597,839	$123,116,318	$53,678
Retail	7,294	$592,865,381	$195,506,441	$128,693,446	$26,804
Transportation	655	$131,215,005	$27,368,359	$3,747,863	$41,767
Information	935	$269,167,138	$43,508,987	$9,632,310	$46,529
Finance and Insurance	1,795	$311,357,343	$53,331,293	$9,582,912	$29,719
Real estate	2,439	$786,953,247	$15,559,134	$74,508,835	$6,378
Professional Services	2,277	$300,147,130	$94,563,304	$14,364,167	$41,530
Other Services	8,106	$531,920,930	$155,150,030	$33,816,381	$19,140
Health care	6,179	$751,267,446	$410,642,491	$8,700,253	$66,456
Hotels and Food	5,779	$432,506,604	$122,114,080	$62,859,423	$21,131
Government	9,076	$1,177,136,065	$630,088,221	($9,684,556)	$69,427
Total	**69,046**	**$8,494,043,840**	**$2,549,072,126**	**$496,318,174**	**$36,919**

Source: U.S. Bureau of Economic Analysis, Local Area Employment and Income via IMPLAN.

Although the farming category accounts for almost 21 percent of jobs in the region, it represents 8 percent of output and 14 percent of employee compensation. The farming category also includes approximately 60 people employed in commercial forestry and about 15 people employed in commercial hunting activities (retreats, guides, etc.). As of 2015, average annual employee compensation in the two counties was $37,000. The highest average compensation is clustered in the government, health care, manufacturing, management and wholesale industries. Outdoor recreation in the regional economy.

Outdoor recreation is an emerging sector, which has traditionally been difficult to track because it is not well-represented by industry classifications. Under the 2007 North American Industry Classification System (NAICS), recreation is combined with arts and entertainment, which are closely related to the broader tourism industry. Since 2005, employment in the arts, entertainment and recreation sector in Chelan-Douglas has grown consistently and experienced less fluctuation than overall non-farm private employment.

Using 2015 data for the Chelan and Douglas counties from IMPLAN[1], we can disaggregate the arts, entertainment, and recreation industry to look at jobs that fall specifically under recreation employment. The two industries that align closest to outdoor recreation are Other Amusement and Recreation industries, and Fitness and Recreational Centers.

In 2015, the recreation sector in Chelan-Douglas counties accounted for 694 jobs, approximately 49 percent of jobs in the arts, entertainment, and recreation industry. These jobs supported $33.0 million in economic activity, with approximately $10 million coming from labor compensation, yielding an average compensation of $14,400. This is low value is largely due to the high percentage of seasonal and part-time work in this industry. This does not include retail, hospitality (including accommodation) or food which also serve recreational activity.

Several other industrial sectors can experience demand as a result of outdoor-recreation related purchases and trip expenses. Hotels and Food are particularly impacted by non-resident trips, and a portion of government, retail, and transportation output is generated by recreation-related demand.

To understand an industry's impact, we can use an input-output model to calculate the economic multipliers for that industry in a specific region. These multipliers[2] represent how the short-run demand for other goods and services increase, or decrease given a change in production. In this case, it represents the economic activity supported by increasing sales for businesses in the recreation industry.

1.59 – economic output

1.23 – employment

The 1.59 output multiplier indicates that $1 million in local outdoor recreation spending would yield $590,000 in local indirect and induced economic activity. For example, when a skier purchases equipment locally, that retailer pays employees and other local business to support its operations.

Employment multipliers are like spending multipliers, but interpreted slightly differently. The employment multiplier of 1.23 indicates that each 1.0 full-year equivalent in demand for employment resulting from increased spending, would result in an additional 0.23 support and non-recreation jobs (in full year equivalent) in Chelan-Douglas counties.

Table 2 displays the top 10 industries that are affected by new spending in the recreation sector. These effects are based on current supply chain relationships in the 2015 IMPLAN model data for the Chelan-Douglas counties. These economic effects represent the change in employment, labor income, and output for every $1 million dollars spent in the recreations sector. For example, other recreation businesses would experience the largest increase in employment, however, other sectors associated with the broader tourism industry, such as hotels and restaurants would also see increased demand as people spend additional money while recreating in the region.

[1] IMPLAN® IMpact Analysis for PLANning modeling software.

Table 2. Top 10 industries affected by $1 million spending in the recreation sector in Chelan-Douglas Counties

Industry	Employment	Labor Income	Output
Fitness and recreational sports	8.6	$112,233	$334,388
Commercial Sports Except Racing	8.1	$127,902	$362,903
Other amusement and recreation	6.1	$113,124	$335,082
Real estate	0.7	$7,402	$95,037
Full-service restaurants	0.2	$4,004	$8,695
Independent artists, writers, and	0.2	$2,245	$4,998
Wholesale trade	0.1	$7,991	$31,430
Services to buildings	0.1	$1,946	$4,379
Hospitals	0.1	$9,849	$19,567
Limited-service restaurants	0.1	$2,551	$11,965

Source: ECONorthwest using 2015 IMPLAN

The Economic Profile System Developed by Headwaters Economics, the U.S. Forest Service, and Bureau of Land Management allows investigation of businesses related to travel and tourism, and a second perspective on employment associated with the recreation industry (Table 3). A more comprehensive breakdown of the composition of the travel and tourism industries makes clear that tourism and recreation affect the two-county economy in substantial ways. Nearly one in five private employees in the region work in travel and tourism related positions, a rate four percent higher than the statewide average.

Table 3: Employment in Travel and Tourism Industries, 2013

Industry Category	Douglas County	Chelan County	Two County Region	Washington State
Total Private Employment	6,454	26,065	32,519	2,444,098
Travel & Tourism Related	1,409	4,896	6,305	377,473
Retail Trade	283	712	995	64,277
Gasoline Stations	59	257	316	13,671
Clothing & Accessory Stores	165	154	319	31,754
Misc. Store Retailers	59	301	360	18,852
Passenger Transportation	31	14	45	11,967
Air Transportation	31	14	45	11,431
Scenic & Sightseeing Transport	0	0	0	536
Arts, Entertainment, & Recreation	269	730	999	60,590
Performing Arts & Spectator Sports	5	29	34	9,499
Museums, Parks, & Historic Sites	2	12	14	2,935
Amusement, Gambling, & Rec.	262	689	951	48,156
Accommodation & Food	826	3,440	4,266	240,639
Accommodation	25	1,084	1,109	36,378
Food Services & Drinking Places	801	2,356	3,157	204,261
Non-Travel & Tourism	5,045	21,169	26,214	2,066,625
Travel & Tourism Related	21.8%	18.8%	19.4%	15.4%
Retail Trade	4.4%	2.7%	3.1%	2.6%
Gasoline Stations	0.9%	1.0%	1.0%	0.6%
Clothing & Accessory Stores	2.6%	0.6%	1.0%	1.3%
Misc. Store Retailers	0.9%	1.2%	1.1%	0.8%
Passenger Transportation	0.5%	0.1%	0.1%	0.5%
Air Transportation	0.5%	0.1%	0.1%	0.5%
Scenic & Sightseeing Transport	0.0%	0.0%	0.0%	0.0%
Arts, Entertainment, & Recreation	4.2%	2.8%	3.1%	2.5%
Performing Arts & Spectator Sports	0.1%	0.1%	0.1%	0.4%
Museums, Parks, & Historic Sites	0.0%	0.0%	0.0%	0.1%
Amusement, Gambling, & Rec.	4.1%	2.6%	2.9%	2.0%
Accommodation & Food	12.8%	13.2%	13.1%	9.8%
Accommodation	0.4%	4.2%	3.4%	1.5%
Food Services & Drinking Places	12.4%	9.0%	9.7%	8.4%
Non-Travel & Tourism	78.2%	81.2%	80.6%	84.6%

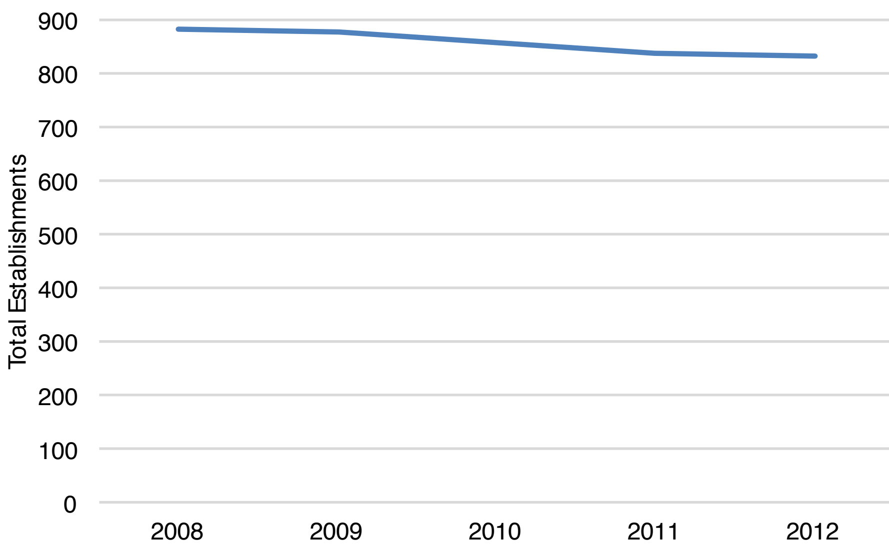
Source: U.S. Department of Commerce. 2015. Census Bureau, County Business Patterns, Washington, D.C.

Other industries are indirectly affected by the amenities and quality of life provided by outdoor recreation opportunities in Chelan-Douglas counties. People choose to live and work in areas that provide a satisfying lifestyle. Industries such as health care advertise the access to natural resources and recreation opportunities to attract highly-skilled workers.

3.2. Regional Economy Trends

The regional economy has long been dominated by agriculture, but agriculture as a market sector in the region is not growing. Long known as an agricultural hub, the total number of establishments in the agriculture sector within Chelan and Douglas counties has fallen slightly in recent years from a high of 881 in 2008 to a low of 833 in 2012.

Figure 1: Average total agriculture establishments in Chelan and Douglas County 2008 to 2012.



Source: Employment Security Department, Numbers and Trends, Washington State. Note also includes a small number of businesses in forestry and hunting.

Decreases in establishments have been paired with losses in sales, total farms, and average farm size. Total crop sales fell by over $2 million in Chelan County from 2007 to 2012. Over the same five-year span, the total number of farms in the region fell by 9 percent from 979 to 890 farms. Average farm size also decreased, from 96 to 85 acres.[3] Douglas County recorded an even larger drop in percentage loss of total farms – 11 percent, from 955 to 849 farms.[4] The land composition of the county changed to a lesser extent. In 2007, 883,094 acres were farmland. In 2012, there were 814,109 acres countywide.[5] Still, countywide, agriculture accounted for over 24 percent of total employment in 2014.[6]

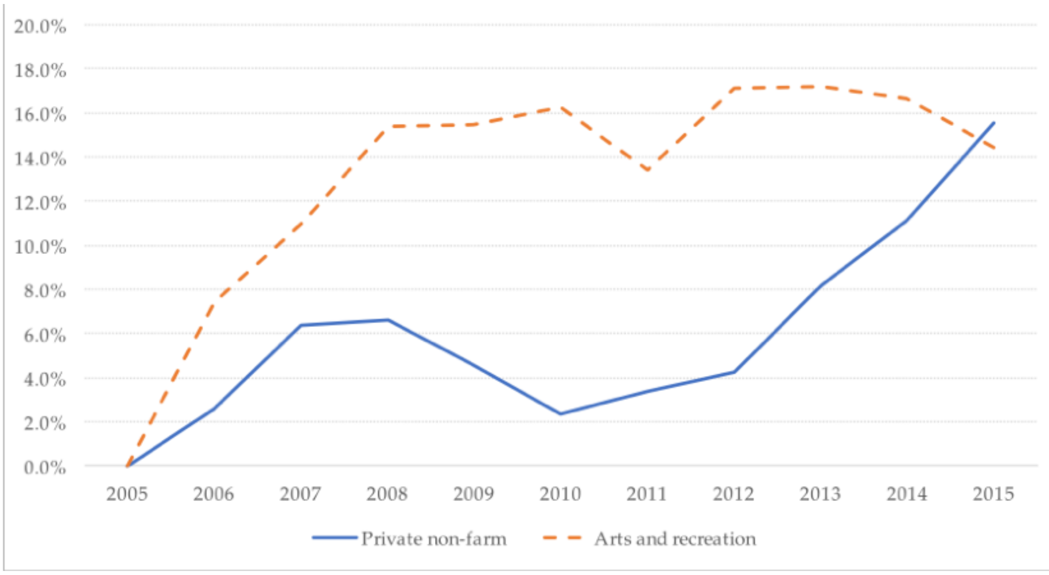
[3] National Agricultural Statistics Service, *"Chelan County, Washington,"* U.S. Department of Agriculture, 2012, available at: https://www.agcensus.usda.gov/Publications/2012/Online_Resources/County_Profiles/Washington/cp53007.pdf

[4] National Agricultural Statistics Service, *"Douglas County, Washington*," U.S. Department of Agriculture, 2012, available at: https://www.agcensus.usda.gov/Publications/2012/Online_Resources/County_Profiles/Washington/cp53017.pdf

[5] Earth Economics, "*Economic Analysis of Outdoor Recreation in Washington State*," Table F-3, Washington State Recreation and Conservation Office, January 2015, available at: http://www.rco.wa.gov/documents/ORTF/EconomicAnalysisOutdoorRec.pdf

[6] Quarterly Census of Employment and Wage, Washington State.

Figure 2. Growth in the Arts, Entertainment, and Recreation Industry, Chelan and Douglas Counties Indexed to 2005 Employment (2005-2015)



Source: U.S. Bureau of Economic Analysis, Local Area Employment and Income

Recent trends suggest that overall non-farm private employment is experiencing renewed growth in the region, however, as construction rebounded from the recession, while the wholesale and accommodation sectors grew rapidly. Despite persistent growth in employment in the arts, recreation, and entertainment sector, the total number of workers as a share of overall employment has remained unchanged since 2005, representing about 2.1 percent of total employment.

Table 4. Change in Share of Total Employment in Chelan & Douglas Counties (2005 & 2015)

Industry	2005	2015	Difference
Wholesale trade	3.3%	4.9%	1.6%
Accommodation & food	7.3%	8.5%	1.2%
Health care & social	10.0%	10.8%	0.8%
Real estate	3.7%	4.5%	0.8%
Administrative & waste	2.4%	3.0%	0.6%
Professional services	3.4%	3.7%	0.3%
Finance and insurance	2.4%	2.6%	0.2%
Education	0.8%	1.0%	0.2%
Manufacturing	4.3%	4.4%	0.1%
Management	0.1%	0.2%	0.0%
Mining, quarrying, oil & gas	0.2%	0.3%	0.0%
Entertainment & recreation	**2.1%**	**2.1%**	**0.0%**
All other	59.9%	54.1%	-5.8%

Source: U.S. Bureau of Economic Analysis, Local Area Employment and Income

3.2.1. Outdoor Recreation Cluster Analysis

Outdoor recreation is a subcluster for the broader tourism and hospitality economic cluster. Economic clusters are geographic concentrations of industries, which support This broad cluster supports this region primarily through two pathways: a traded sector (sells goods and services outside the region), which brings new money into the community and local sector (supports the local community), which improves the region's quality of life and access to goods and services.

Job growth and wage increases in the tourism and hospitality cluster, which is closely tied to the outdoor recreation industry, has seen growth over the last decade, which suggests some evidence of growing demand for the area's recreational opportunities.

As an economic cluster, tourism and hospitality functions as both a traded sector and local sector, and has become increasingly important to the region. Since 2004, the region has seen growth in local hospitality hiring, local retailing, and local commercial services. These industries have also grown in total percentage value to the region's economy as it becomes increasingly specialized in this sector.

- From 2004 to 2014, 345 jobs were created in the hospitality and tourism cluster; 245 more than the employment level associated with the national job growth rate in the industry. Among the industry's subclusters, two accounted for most of the new jobs: other tourism attractions and accommodations and related services. Other tourism attractions sparked 174 of these jobs; 57 of the new positions can be traced to accommodations and related services. Employment in the tourism related services subsector diminished by 30 over the decade.[7]
- Workers in the traded hospitality and tourism cluster earned $23,141 in annual wages in 2014.
- Research reveals the hospitality industry in Wenatchee has a high degree of specialization, which fosters greater opportunities for learning, innovation, and entrepreneurial spawning.[8, 9]

The subcluster Other Tourism Attractions is of particular relation to outdoor recreation. Most direct services associated with outdoor recreation such as ski resorts, guide services, and outdoor programs fall into this category. This subcluster is disproportionately strong in the Wenatchee region, as shown by its disproportional share of all national employment in this subcluster. This suggests that outdoor recreation businesses are well established in the region.

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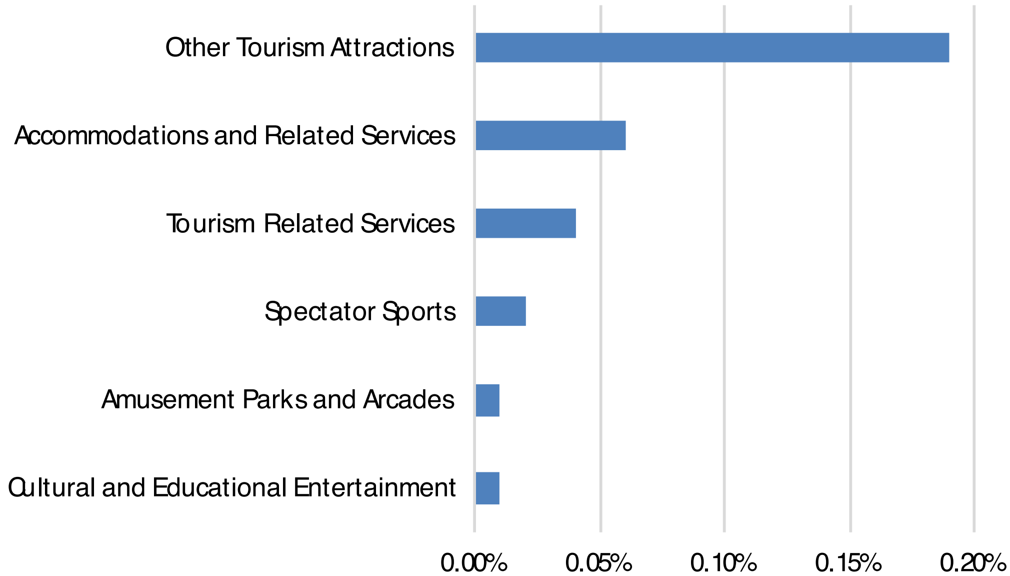
[7] US Cluster Mapping, "*Wenatchee Cluster*," Harvard Business School and US Economic Department Administration, NA, available at: http://www.clustermapping.us/region-cluster/hospitality_and_tourism/msa/wenatchee_wa#related-clusters

[8] ibid

[9] Mercedes Delgado, Michael Porter, and Scott Stern, "*Clusters and Entrepreneurship*," Center for Economic Studies, September 2010, available at: http://clustermapping.us/sites/default/files/files/resource/Clusters_and_Entrepreneurship.pdf

Figure 3. Wenatchee Metropolitan Area Share of National Employment of Hospitality and Tourism Subclusters, 2014.



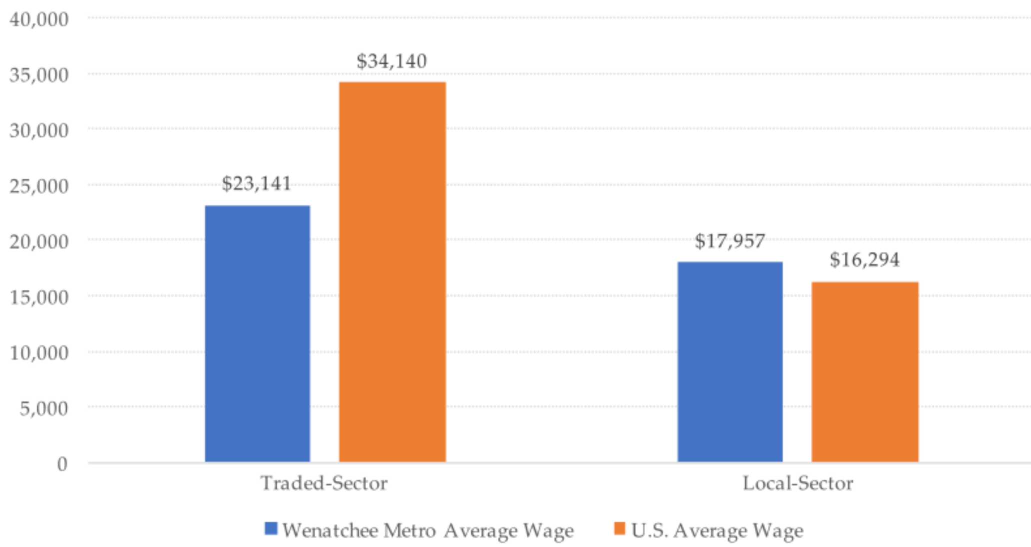
Source: US Cluster Mapping, Wenatchee Metropolitan Area

Hospitality and Tourism was the second largest traded-sector cluster for employment in the Wenatchee Metropolitan region during 2014, after Distribution and Electronic Commerce, at almost 2,000 workers. Hospitality and Tourism represented almost 18 percent of traded-sector employment that year. Distribution and Electronic Commerce as the largest private non-agricultural cluster in terms of employment is growing more rapidly than other leading clusters. This could in part be due to businesses that are not tied to a single location and serve a wide geography of customers over the internet. Such businesses can choose to locate for lifestyle reasons. Such potential "lifestyle" businesses are an important target for leveraging the regions natural and recreational amenities to the benefit of the regional economy.

A similar relationship to regional amenities and outdoor recreation exists for the leading local (non-traded) sector of Health Services. The healthcare industry competes for well-trained, qualified professionals. Many in the healthcare industry seek a healthy, high quality of life and are attracted to locations based on amenities. These natural amenities can provide a "second paycheck" in terms of non-market benefits from the lifestyle offered. This manifests in decisions to accept positions not based purely on wage and purchasing power, and results in a benefit to both employees and employers.

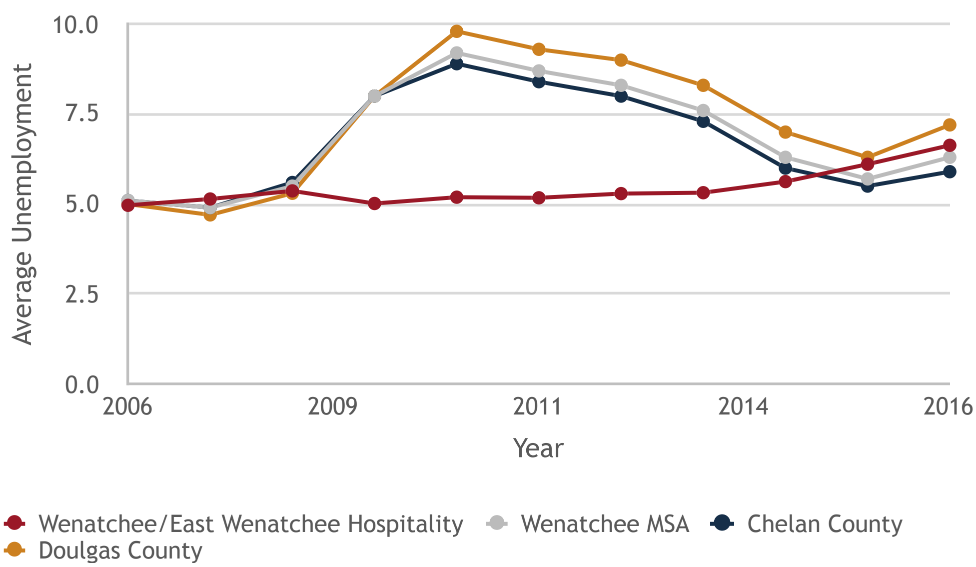
Wages for the Hospitality and Tourism cluster in the Wenatchee Metro region show somewhat mixed results. Traded sector activities typically pay higher wages than similar jobs in local sectors. This is typically because these jobs require higher education and skills. This is reflected in Figure 4, which shows that traded-sector hospitality workers earn almost 30 percent more per year. On the other hand, average wages in this sector are much lower than the U.S. average. Conversely, although local sector hospitality wages are lower, on average, than traded sector hospitality jobs, average wages in the Wenatchee Metro area are higher than the U.S. average. Average wages are higher in the leading local and traded clusters of Distribution and Electronic Commerce and Health Services.

Figure 4: Comparison of Wages in the Hospitality and Tourism Cluster (Wenatchee Metro vs. U.S. Average), 2014



Source: US Cluster Mapping, Wenatchee Metropolitan Area

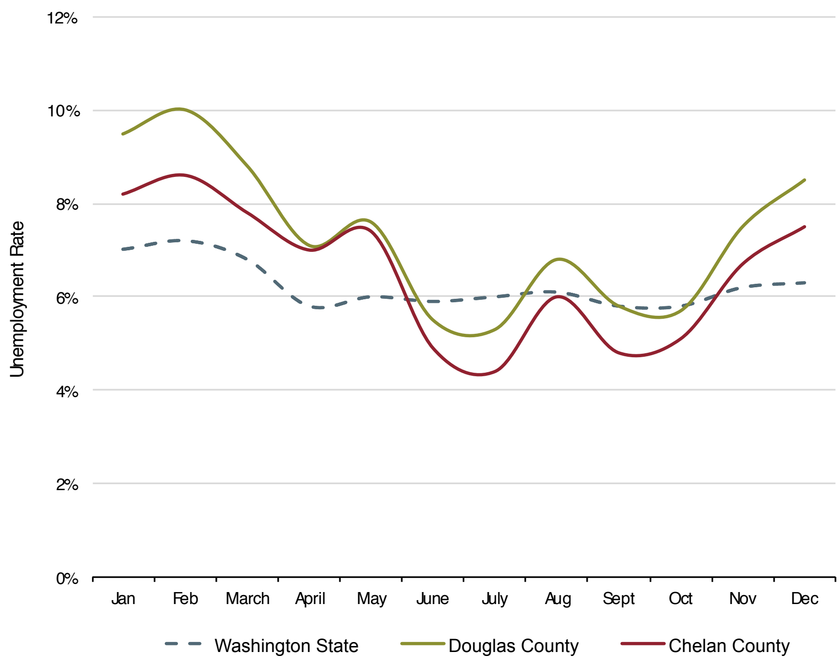
Figure 5: A comparison of unemployment rates from 2006 to 2016



Source: BLS and Washington Employment Security District

Jobs in Wenatchee and East Wenatchee's hospitality and leisure sector have been particularly stable compared to regional trends. However, yearly averages mask seasonal variation in employment. Employment trends mirror the level of tourist desire to visit. Unemployment rates dip below the statewide average in summer months and exceed the state's rate in "off-months."

Figure 6: Seasonal unemployment in Douglas and Chelan Counties, 2014.

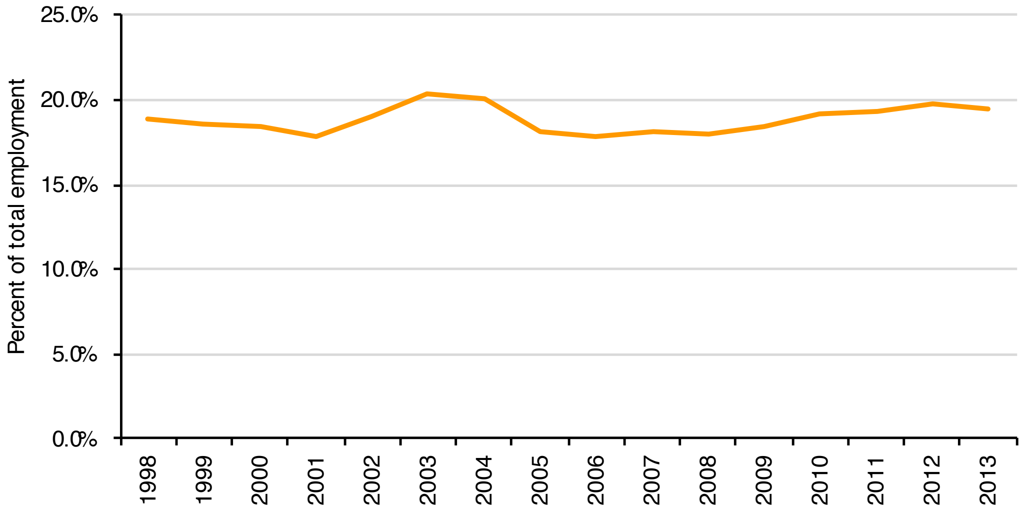


Source: U.S. Department of Labor. 2015. Bureau of Labor Statistics, Local Area Unemployment Statistics.

Examining a more specific portion of the labor market – the employment conditions of travel and tourism – uncovers additional evidence of the importance of recreation and visitors to the area, especially in the summer. Workers in this industry, on average, earn $18,002 annually in wages. Statewide, the average wage in the sector rises over $23,000. Based on the 2013 two-county employment market, total wages from travel and tourism wages surpassed $108 million (2016$).[10] As seen in Figure 6, the below average annual wage may be tied to the seasonality of the sector in the Wenatchee Valley.

[10] U.S. Department of Labor. 2015. Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

Figure 7: Percent of Total Private Employment in Industries that Include Travel and Tourism, County Region, 1998-2013.



Source: U.S. Department of Commerce. 2015. Census Bureau. County Business Patterns, Washington, D.C.

Travel and Tourism's share of total private employment has hovered around 19 percent over the past 15 years. It attained its largest share in 2003, up by nearly three percent from its 2001 low. The proportion dipped again before climbing to 19.4 percent in 2013. The location quotients for the industry's subsectors show that the area is fairly specialized in the fields when compared to the rest of the state.

Table 5: Percent of Total Private Employment in Industry Sectors that Include Travel & Tourism, County Region vs. Washington, 2013.

	Employment Share		Location Quotient
Industries Including Travel and Tourism	County Region	Washington	
Retail Trade	3.1%	2.6%	1.2
Passenger Transportation	0.1%	0.5%	0.2
Arts, Entertainment, & Recreation	3.1%	2.5%	1.2
Accommodation & Food	13.1%	9.8%	1.3

Source: U.S. Department of Commerce. 2015. Census Bureau, County Business Patterns, Washington, D.C.; U.S. Department of Commerce. 2015. Census Bureau, American Community Survey Office, Washington, D.C.

Accommodation & Food has over a 30 percent higher share of the County Region's economy than the state average. Arts, Entertainment, & Recreation and Retail Trade comprise over 20 percent more of the region's economy than the state average. The concentration of Travel and Tourism employees and establishments fosters conditions ripe for further innovation, specialization, and collaboration within the region.

Direct recreation and tourism-related industries rely upon expenditures associated with outdoor recreation activity. Lifestyle industries rely upon the well-being and intrinsic benefits enjoyed by outdoor recreation participants to attract skilled and high income workers and customers to the region. The next section details the activity, spending, and benefits of outdoor recreation activity in Chelan and Douglas counties.

4. Outdoor Recreation Activity and Spending

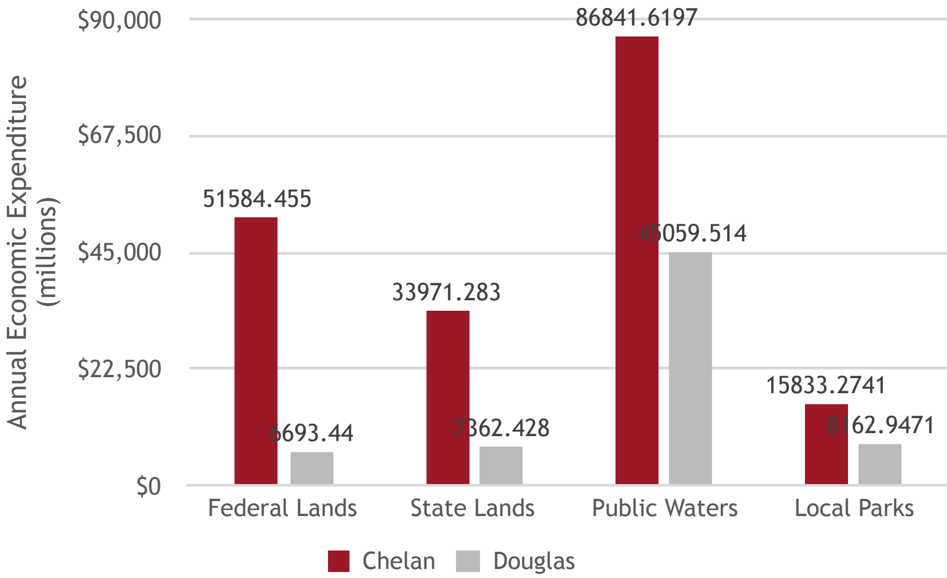
Key Section Findings

- ***Outdoor recreation is responsible for hundreds of millions of dollars of spending annually in the region.***
- ***Over two million trips occur by visitors to the region annually.***
- ***Downhill snowsports and water-based activities have the highest average daily expenditures.***
- ***Mountain biking provides particularly high net benefits to participants.***
- ***Each additional participant-trip day means ~$20-$150 in spending.***
- ***Each additional participant means $500-1500+ of annual spending.***
- ***Trails are a major driver of overall economic spending and benefit regionally, and this importance will increase in the future.***

4.1. Regional Outdoor Recreation Participation and Expenditures

In a study commissioned by the Washington State Recreation and Conservation Office, Earth Economics compiled data to estimate overall outdoor recreation expenditures at the county level in 2014. Outdoor recreation activity in Chelan and Douglas counties results in hundreds of millions of dollars of expenditures annually. (Figure 8). Outdoor recreation activity leading to expenditures is substantially higher in Chelan County than Douglas County. State land trips in Chelan-Douglas initiated over $41 million in expenditures, nearly $34 million of which originated in Chelan County. Recreation on public waters, though, produced the highest levels of spending in both counties.

Figure 8: Total Trip Expenditures by Destination in Chelan and Douglas Counties (2014).



Source: Earth Economics. 2015. Economic Analysis of Outdoor Recreation in Washington State.

Spending generated on public lands had a substantial ripple effect on the economies of both counties. Over $209 million and $78 million in recreation-created expenditures tied to public lands in Chelan County and Douglas County, respectively, supported 2,663 jobs in the former and 667 in the latter (Table 6). Jointly, the recreation-induced revenue in both counties accounted for $19.4 million in state and local taxes.[11] Public land recreation, as demonstrated in Table 6, fostered a high proportion of the total economic contribution.

Table 6: Expenditure and Economic Impact Associated with Recreational Lands by County (2014).

Land Category	County	Total Expenditures (millions)	Total Economic Contribution (millions)	Multiplier	Employment	State and Local Tax (millions)
All Recreational Lands	Chelan	$341.8	$640.7	1.87	3,843	$22.9
	Douglas	$136.1	$204.3	1.50	932	$5.7
Public Lands Only	Chelan	$209.7	$421.0	2.01	2,663	$15.3
	Douglas	$78.6	$129.7	1.65	677	$4.1

Source: Earth Economics. 2015. Economic Analysis of Outdoor Recreation in Washington State.

[11] Earth Economics, "*Economic Analysis of Outdoor Recreation in Washington State*," Table H-1, Washington State Recreation and Conservation Office, January 2015, available at: http://www.rco.wa.gov/documents/ORTF/EconomicAnalysisOutdoorRec.pdf

The ratio of total contributions to expenditures forms the multiplier.[12] Both counties possess public lands multipliers in the middle of the range of Washington counties. Ferry County recorded the lowest at 1.36 while the highest occurred in Spokane County at 2.24. Chelan exceeds the statewide average of 1.74; Douglas trails behind it.[13] This demonstrates that with a more developed economy, there is potential for more total secondary spending to ripple through the region than currently.

Table 7: Person-Trips and -Nights to the Two County Region (2012 and 2014).

	2012		2014 (%change from 2012)	
	Chelan County	Douglas County	Chelan County	Douglas County
Total Person Trips (000s)	1,774	363	1,920 (8.2)	372 (2.5)
Total Person Nights (000s)	3,409	779	3,649 (7.0)	796 (2.2)
Average Overnight Party Size	2.51	2.47	2.51 (-)	2.47 (-)

Source: Dean Runyan Associates. 2015. Washington State County Travel Impacts and Visitor Volume.

Total visits to the region by non-residents are over two million annually (Table 7). For the two most recent years of data, 2012 and 2014, there was an 8 percent increase in the number of trips in Chelan County. The average trip length in Chelan County was just under 2 nights in both years.

Table 8. Annual Expenditures by Outdoor Recreation Category, 2014.

County	Events	Private Lands	Equipment	Federal Lands	State Lands	Public Waters	Local Parks	Total
Chelan	$21.4	$35.4	$96.7	$51.6	$34.0	$86.8	$15.8	$341.8
Douglas	$11.3	$6.1	$51.3	$6.7	$7.4	$45.1	$8.2	$136.1

Source: Earth Economics. 2015. Economic Analysis of Outdoor Recreation in Washington State.

The largest category of outdoor recreation-related expenditures in Chelan-Douglas counties for 2014 was on equipment, totaling nearly $150 million (Table 8). Events made up $33 million of expenditures, representing 7 percent of total identified outdoor recreation-related expenditures. In comparison, other trips to public and private lands and waters were nearly $300 million, totaling 62 percent of regional outdoor recreation expenditures in 2014.

Visitors and residents to the region for outdoor recreation enjoy a net benefit beyond expenditures, known as consumer surplus. A study commissioned by Washington State Parks found tens of millions of dollars of consumer surplus from visits to state parks in the region (Table 9). This is particularly strong in Chelan County. Based on proportionate levels of activity across recreation locations, there would be hundreds of millions of dollars of consumer surplus provided annually by outdoor recreation activity in the

[12] The total economic contributions includes the direct, indirect, and induced contributions to the economy from recreation. Direct contributions are associated with the initial expenditure. Indirect contributions include the sales to the enterprises at which expenditures occur. Induced contributions result from the spending by employees of the businesses at which direct and indirect contributions accrued.

[13] Earth Economics, Table H-1.

region. Consumer surplus or net benefit is particularly important for attracting and maintaining residents as well as attracting repeat visitors and longer stays.

Table 9: Consumer Surplus of Recreation Visits to State Parks in the Region

County	Total Visits Per Year	Consumer Surplus Per Year (2015$)
Chelan	1,150,409	$44,065,182
Douglas	75,410	$2,888,499

Source: Earth Economics. 2015. Economic Analysis of Outdoor Recreation in Washington State.

Average daily trip expenditures by outdoor recreation activity in Washington State generally ranges from a few dollars to over a hundred dollars (Figure 9). Average annual equipment expenditures by activity can also be as low as a few dollars, but can range up to thousands of dollars. These are averages, so individuals will be greater than and less than all of these amounts, and likely in some cases quite greater. Of note the activities with the highest average daily expenditures are downhill snowsports (skiing and snowboarding) and water-based sports including motorized and non-motorized boating as well as rafting. Hiking follows closely as well. On the margin therefore, attracting more visitors and participation in these high-expenditure activities will generate the most per-participant economic activity. Roughly $100 expenditures per participant-day equate to $150 to $200 worth of total spending in the economy. While most of this spending would occur locally at the individual trip level, maximizing this capture of expenditures requires having the full suite of services utilized on such a trip.

Annual equipment expenditures are less likely to occur locally for visitors, but opportunities certainly do exist. Competition in this case is stronger in terms of retailers in the visitors home region as well as online. Equipment expenditures are a greater consideration for local participants in terms of regional economic importance.

Source: Earth Economics. 2015. Economic Analysis of Outdoor Recreation in Washington State.

The U.S. Forest Service conducts studies to estimate activity-specific spending profiles by activity type and trip type per trip party (roughly 2-2.5 people). Their estimates differ somewhat from those in the Earth Economics study referenced above, but are of comparable magnitude. Of particular relevance is the magnitude of average trip expenditures associated with non-local overnight trips for the highest categories, generally associated with snow-sports, hunting and fishing (Table 10). See the appendix for a more detailed version of this table with ranges of values surrounding the averages in Table 10.

Table 10. Average
Trip Expenditures Per Party.

Primary Activity	Non-Local Day Trips	Non-Local Overnight Trips	Local Day Trips	Local Overnight Trips
Downhill Skiing	$169	$1,037	$83	$502
Cross-Country Skiing	$168	$834	$96	$404
Snowmobile	$70	$749	$42	$361
Hunting	$126	$698	$35	$337
Fishing	$84	$615	$48	$253
Nature-Related	$114	$478	$66	$322
OHV-Use	N/A	$268	N/A	$222
Driving	$65	$615	$27	$195
Developed Camping	$94	$429	$52	$243
Primitive Camping/ Backpacking	$71	$430	$49	$209
Hiking/ Biking	$142	$360	$75	$174
Other Activities	N/A	$174	N/A	$156
Total (*all activities*)	$84	$476	$44	$230

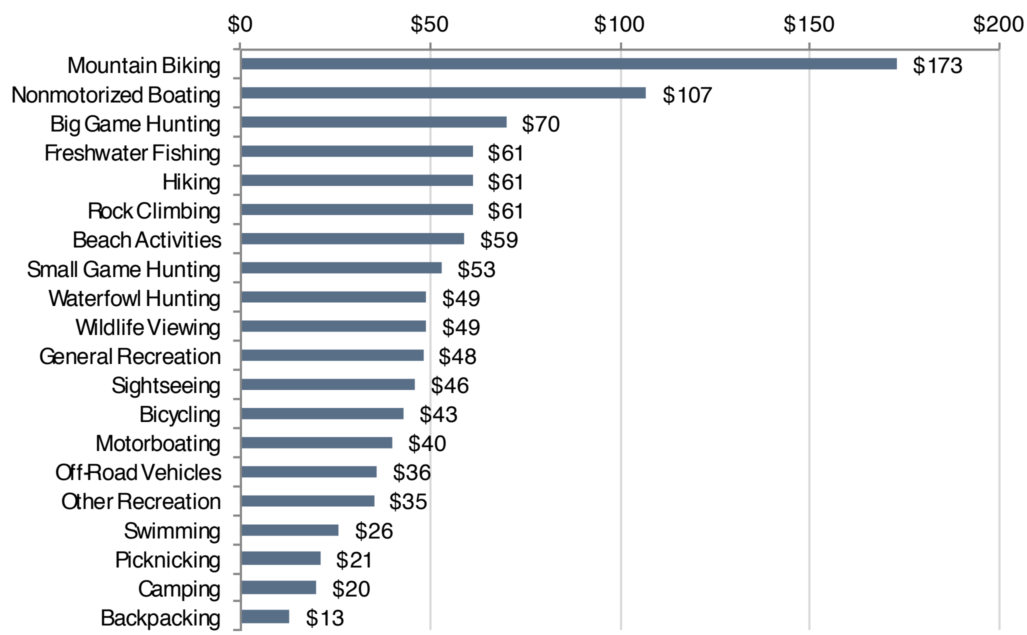
Source: White, Goodding and Stynes. 2013. Estimation of National Forest Visitor Spending Averages From National Visitor Use Monitoring: Round 2. U.S. Forest Service. Pacific Northwest Research Station.

When looking at an activity-level breakdown of average net benefit, or consumer surplus by activity, a summarization of a major outdoor recreation use value database supported by the U.S. Forest Service shows mountain biking to have the highest value (Table 11). These values represent the non-monetary value of satisfaction experienced by the participant for a full single day trip worth of that activity. These net benefits do not generate direct economic impacts because no expenditures are associated, but they do represent demand and important activities that attract visitors and residents alike. Non-motorized boating, hunting and fishing are other key activities under this study's results.

One challenge is that the local economic impact of local resident spending on trail trips is difficult to estimate on net. Local trips likely often require lower total trip expenditures than averages considering that most state residents must travel some distance to access trails, requiring higher travel costs and lengthening time sufficiently to require meals that a trail trip out the door or just up the street might not require. Furthermore, local expenditures are dollars that on the margin would likely have been spent locally to some extent even without the trail trip on other non-outdoor recreation activities or expenses. On the other hand, a higher share of the total amount of trip expenditures by locals are likely to be spent locally, than in comparison to visitors that will make some trip purchases before and after entering the region.

Visitor expenditures as described above then, have more of a full economic impact including multiplier effects than dollars of locals that might have been spent locally even without the trip. But depending on distances, goods and services demanded, and goods and services offered, all visitor trip expenditures will not necessarily occur within the region. The availability of the full suite of goods and services required for trips will influence the overall economic impact of visitor outdoor recreation on the regional economy. At the same time, offering goods and services that are accessible to travellers passing through the region can mean that the local economy can capture a portion of trip expenditures for outdoor recreation trips with a final destination outside of Chelan-Douglas counties.

Table 11. Average Net Benefit Per Day by Activity ($2016).

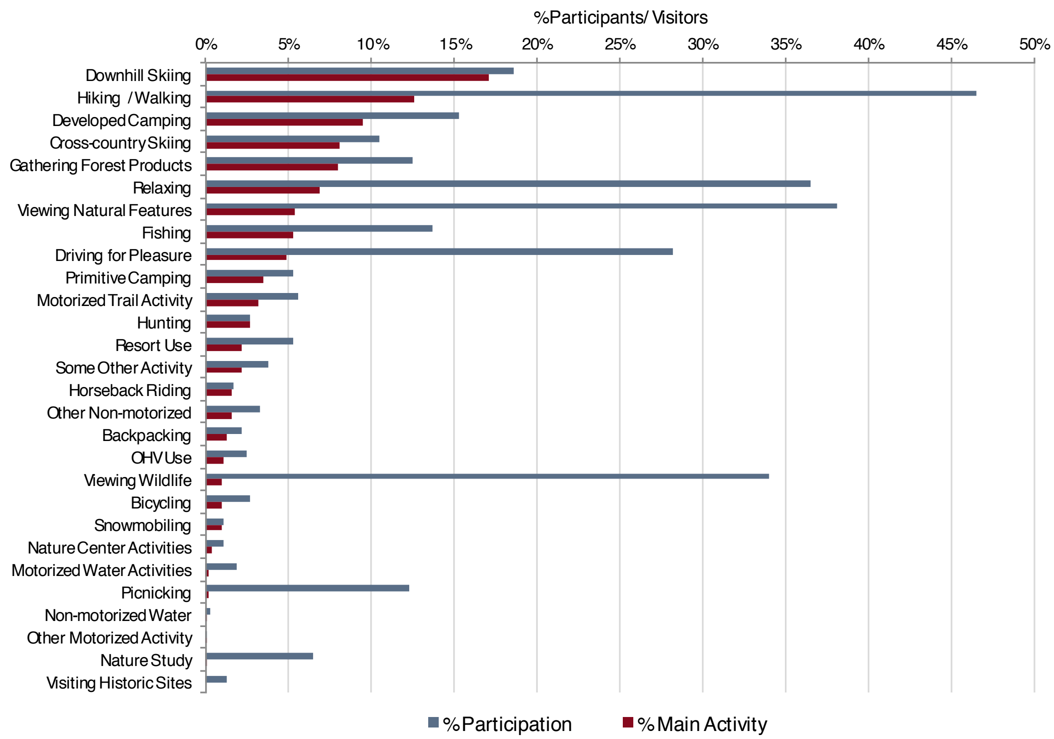


Source. Rosenberger, R.S. and Stanley, T.D., 2007, July. Publication effects in the recreation use value literature: a preliminary investigation. In American Agricultural Economics Association Annual Meeting, Portland (Vol. 29).

Okanogan-Wenatchee Forest Recreation

The U.S. Forest Service periodically surveys visitors to each national forest. They then estimate participation by activity type, and total annual visits. For the most recent survey on the Wenatchee National Forest in 2010 (not entire Okanogan-Wenatchee complex), there was an estimated 1.2 million annual trips.[14] Of these trips, downhill skiing was the most common primary activity, although hiking/walking was the activity with the most common participation overall (Figure 10). An earlier survey in 2001 estimated 2.5 million trips and 5.2 million visitor days.[15]

Figure 10. Participation Rates by Activity for Wenatchee NF Visitors.



Source. USFS National Visitor Use Monitoring Program.

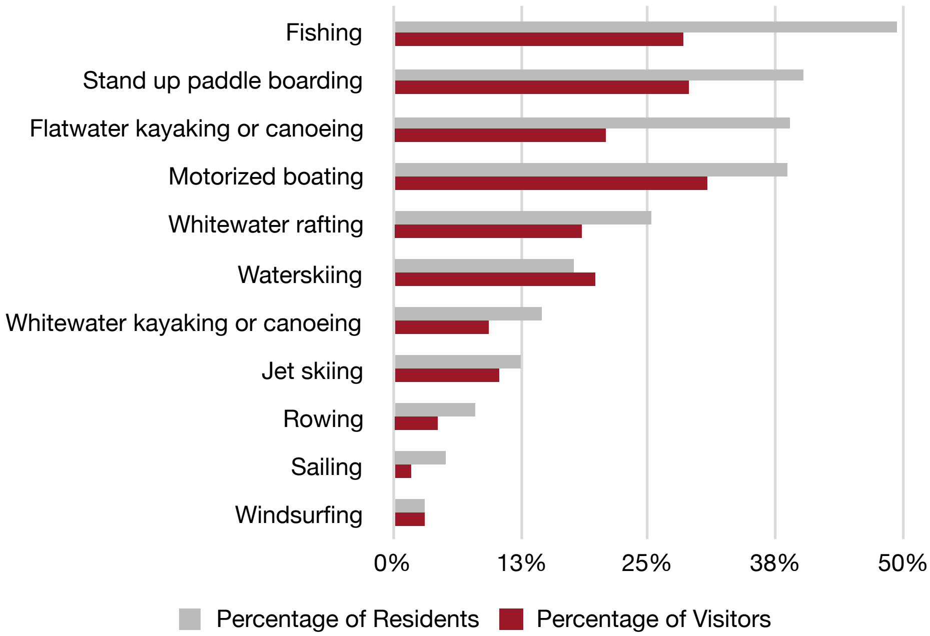
4.2. Activity-Specific Survey Responses

A primary focus of the survey conducted as part of this study was to identify the outdoor recreation activities of most importance to residence of and visitors to Chelan-Douglas counties. Preferences and participation generally follow statewide and regional patterns and trends. Overall, land-based activities see the highest rates of participation, with trail users in particular. Water-based activities are dominated by fishing, followed by paddlesports. Statewide data are available for comparison in this section to the survey results. More detail on the survey process and respondents is available in the Appendix.

14 USFS. 2011. Visitor Use Report: Wenatchee. FY 2010.

15 USFS. 2003. Wenatchee National Forest: Annual Report on Wenatchee Land and Resource Management Plan.

Figure 11: A comparison of visitor and resident water sport participation by activity.



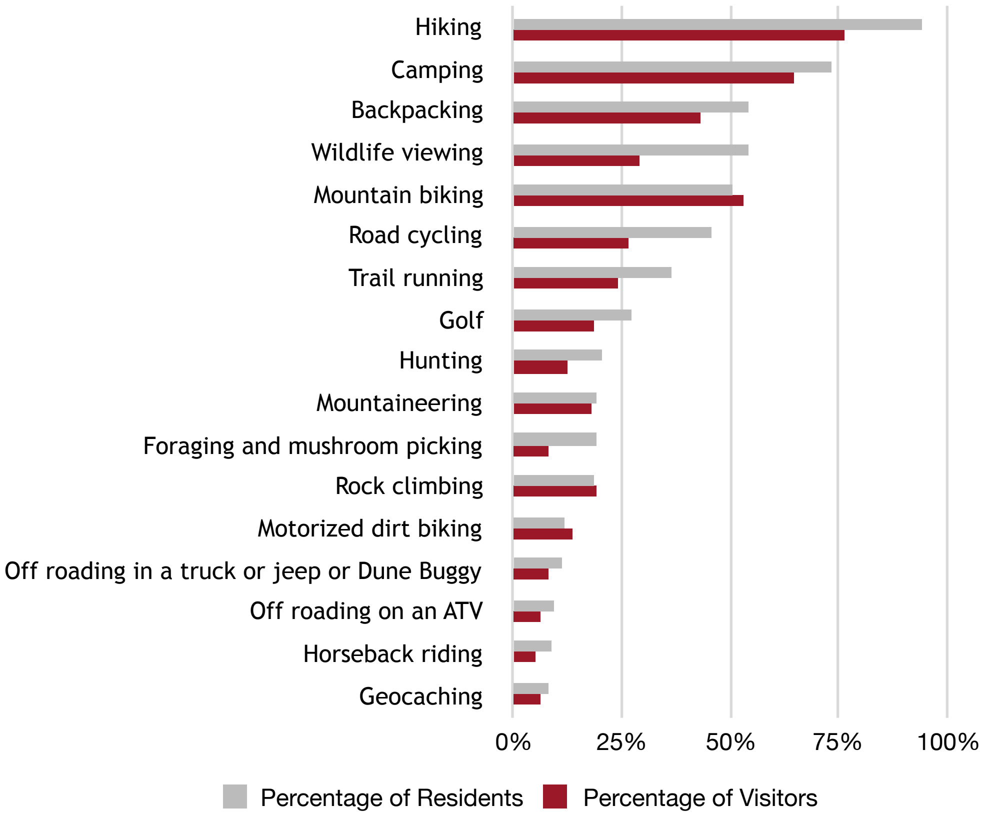
Source: ECONorthwest analysis of survey data.

For water-based recreation, resident respondents participated most frequently in fishing, stand up paddle boarding (SUPing), and flatwater kayaking or canoeing, listed from highest to lowest (Figure 11). Two of those activities fell within visitors' top three, albeit in a different order. Outsiders engaged in motorized boating, supping, and fishing, in order of greatest participation. About one in five visitors reported flatwater kayaking or canoeing, whitewater rafting, and waterskiing.

SCORP data suggest Washingtonians go on motorized boat trips less frequently than Chelan-Douglas counties residents and visitors (25 percent vs. 39 and 31 percent, respectively). Only 11 percent of SCORP respondents indicated any form of kayaking or canoeing, far lower than the percentage of Chelan-Douglas counties residents and visitors. Resident and visitor respondent rates of waterskiing also outpaced the statewide population level.[16]

[16] Responsive Management, *The 2013 State Comprehensive Outdoor Recreation Plan*, State of Washington, June 19, 2013, available at: http://www.rco.wa.gov/documents/rec_trends/2013-2018SCORP-FullRpt.pdf

Figure 12: A comparison of visitor and resident land sport participation by activity.

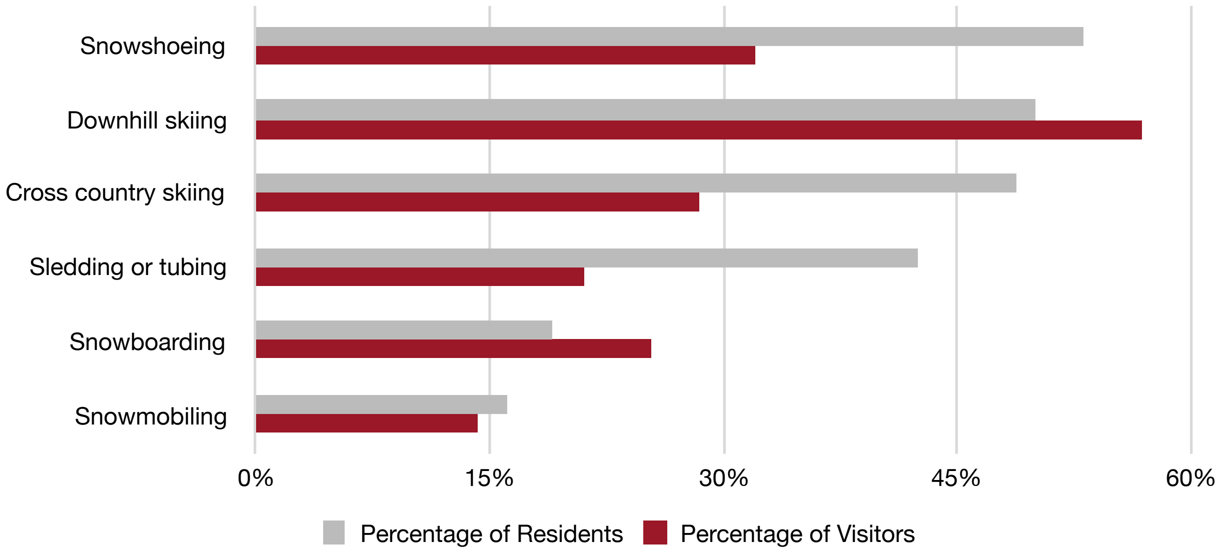


Source: ECONorthwest analysis of survey data.

Upwards of 80 percent of resident respondents noted their hiking participation; three-fourths of visitors also marked the activity (Figure 12). Hiking, camping, and backpacking ranked as the top three activities in terms of resident land sport participation. 6 of the top 7 activities generally use trails. Visitors also selected hiking and camping as their first and second most frequented activities. However, mountain biking came in third for visitors; it was fifth for residents. A far greater percentage of residents – 54 percent – noted their participation in wildlife viewing than visitors – 29 percent.

94 percent of residents reported hiking as did 77 percent of visitors respondents. Notably, 87.6 percent of visitors did some sort of trail-based activity – such as hike, backpack, trail run, or mountain bike. 18 and 19 percent of residents and visitors, respectively, rock climb.

Figure 13: A comparison of visitor and resident snow sport participation by activity.



Source: ECONorthwest analysis of survey data.

Visitors and residents both ranked snowshoeing, downhill skiing, and cross country skiing as their top three snow sports (Figure 13). However, a substantially higher percentage of residents snowshoe and cross-country ski. Sledding also seems to be an activity more favored by local respondents. Visitor respondents downhill ski at a higher rate than residents; nearly 60 percent. Resident respondents also snowboarded less frequently than visitors.

Statewide, 15 percent of Washingtonians sledded or tubed according to SCORP data One in ten Washingtonians downhill ski. Snowmobiling, was selected by three percent of SCORP respondents.[17]

4.3. Outdoor Recreation Participant Impacts

The SCORP and RCO/Earth Economics data allow estimates of annual equipment and trip expenditures by outdoor recreation participants. Per trip expenditures for non-motorized recreation are from less than $50 to nearing $200. Annual total expenditures for a participant in an activity range from under $500 (including trips and equipment) to over $1500. Adding motor sports increases these ranges.

[17] Responsive Management, *The 2013 State Comprehensive Outdoor Recreation Plan*, State of Washington, June 19, 2013, available at: http://www.rco.wa.gov/documents/rec_trends/2013-2018SCORP-FullRpt.pdf

Table 12. Select Average Annual Expenditures by Activity

Activity	Annual Expenditures per Participant	Average Expenditures per Participant Day
Hiking	$781	$46
Fishing	$882	$59
Non-Motorized Boating	$767	$77
Skiing/ Snowboarding	$1,215	$153
XC Skiing	$477	$56
Biking	$1,653	$47
Motorized Off-Roading	$2,914	$113

Source: Earth Economics. 2015. Economic Analysis of Outdoor Recreation in Washington State; State of Washington 2013 SCORP.

Table 12 shows select average annual expenditures per activity participant and participant day (equipment and trip expenses). In reality there is extensive heterogeneity across activities ,participants, and trips. But these values can be used for general estimates of the expenditures that occur from increasing participation rates, and increasing trips. A good general estimate from these representative activity values and similar from the state source reports cited suggests per-day, per-participant trip expenditures for non-motorized, low fee activities of $25 to $75 per trip day, and annual total expenditures of $250 to $1000. Non-motorized specialized activities such as downhill snow-sports increase these expenditures ranges to over $100 per day and over $1000 annually. Motorsports can increase above these ranges substantially.

Considering the multiplier effects described earlier, these expenditures, when they occur locally and represent spending dollars that would not have been spent locally otherwise, can increase values by an additional 25 to 100 percent.

4.4. Economic Impact of Trails

Washington residents use trails at a high rate. Trails provide a useful example to consider a specific outdoor recreation resource category in terms of level of usage and economic impact. The 2013-2018 Washington State Trails Plan, using data from the State Comprehensive Outdoor Recreation Plan (SCORP) survey of all state residents indicated that 72.4 percent of residents participated in some sort of trail-enabled recreational activity. For instance, 51 percent of residents hike on the state's trails.[18] On average, Washington State residents that do hike head to the trails approximately seventeen times a year and spend $45.20 (2016$) per trip.[19]

Other important trail activities include trail walking and trail biking in the SCORP data. Furthermore, trails are necessary for trail running, cross-country skiing, snowshoeing, and horseback riding. Trails are important for numerous other activities including wildlife viewing, access for fishing, hunting and rock-climbing, and off-road motorized activities as well.

[18] Responsive Management, "*2013-2018 Washington State Trails Plan*," State of Washington, NA, available at: http://www.rco.wa.gov/documents/rcfb/2013-2018Trails_Plan&Appendices.pdf

[19] Responsive Management, *The 2013 State Comprehensive Outdoor Recreation Plan*, State of Washington, June 19, 2013, available at: http://www.rco.wa.gov/documents/rec_trends/2013-2018SCORP-FullRpt.pdf

Through applying SCORP rates to population totals and forecasts for the two-county region it's possible to estimate the total number of residents per county and community that use trails, how many hike, and how much they spend on hiking trips. These participation rates are lower than rates among respondents to the survey administered as part of this project, but the SCORP responses are more statistically valid as representative of the population as a whole. Nevertheless, this study's survey combined with local expert input suggest that Chelan-Douglas county residents have higher trail use participation rates than the state average, which would make the results of applying SCORP rates underestimates. While SCORP rates applied to Chelan and Douglas residents might be underestimates, at the same time not all trail trips by local residents occur only in the two-county region.

Table 13: Projected Residents Using Trails in Chelan and Douglas Counties, 2016 to 2040.

Year	Chelan County	Douglas County	Bridgeport	Cashmere	Chelan	East Wenatchee	Leavenworth	Wenatchee
2016	54,959	29,481	1,796	2,201	2,979	9,774	1,441	24,261
2020	56,896	31,580	1,903	2,286	3,042	10,381	1,489	24,988
2025	59,285	33,783	2,038	2,374	3,159	11,116	1,546	25,953
2030	61,379	35,898	2,182	2,466	3,281	11,903	1,606	26,956
2035	63,110	37,833	2,337	2,561	3,408	12,747	1,668	27,997
2040	64,614	39,648	2,503	2,660	3,540	13,649	1,733	29,079

Source: Office of Financial Management, State of Washington SCORP.

Assuming that trail use participation rates remain constant (despite the rate increasing in recent decades) and given population growth projections, trails in the two-county region will receive more traffic in the future. By 2040, upwards of 64,000 and nearly 40,000 residents in Chelan and Douglas counties, respectively, will engage in some sort of trail activity (Table 13). Total trips and expenditures by trail use category including hiking would similarly grow (Table 14).

Table 14: Projected Total Local Resident Hiking Trips and Expenditure by County, 2016 to 2040.

	Chelan County		Douglas County	
Year	Resident Hiking Day Trips	Expenditures (2016$)	Resident Hiking Day Trips	Expenditures (2016$)
2016	662,011	$29,922,902	355,119	$16,051,384
2020	685,349	$30,977,752	380,401	$17,194,139
2025	714,119	$32,278,183	406,939	$18,393,656
2030	739,349	$33,418,572	432,413	$19,545,083
2035	760,192	$34,360,684	455,725	$20,598,751
2040	778,314	$35,179,809	477,579	$21,586,589

Source: Office of Financial Management, State of Washington SCORP.

The expenditures generated by hiking trips demonstrate the value of this activity, and ripple throughout the county economies in the form of indirect and induced economic effects. If required expenditures are lower for local residents for some trips than visitors, this cost savings manifests as a net benefit (consumer surplus) to the resident participant, maintaining local capture of this value. This local consumer surplus contributes to decisions to reside in areas with high accessibility of trails.

Based on total county populations in 2016, annual hiking expenditure per resident hiker are estimated to about $394 per year in 2016$. Chelan County's public land-based recreation expenditure multiplier, used to calculate total economic contributions, is 2.01.[20] It follows that the annual average hiking expenditure of $394 induces $792 of total economic contributions. The corresponding figures for Douglas County are a multiplier of 1.65 and a total economic contribution per resident from hiking of about $422.

Trail-based activities such as hiking, walking, and biking totaled to over $170 million and $66 million in Chelan County and Douglas County, respectively, in 2016 (Table 15). Visitor spending made up 43 percent of total spending in Chelan County and under 22 percent in Douglas County.

Table 15: Trail-Based Spending in 2016 in Chelan and Douglas Counties, by Activity and User ($2016).

Activity	Chelan County	Douglas County
Resident Hiking	$29,922,902	$16,051,384
Resident Walking	$37,951,478	$20,358,111
Resident Biking	$29,019,816	$15,566,947
Resident Total	$96,894,196	$51,976,441
Visitor Hiking*	$42,191,010	$8,174,510
Visitor Walking*	$9,960,610	$1,927,270
Visitor Biking*	$20,961,680	$4,060,340
Visitor Total	$73,113,300	$14,162,120
Total	$170,007,496	$66,138,561

Source: Office of Financial Management, State of Washington SCORP. *2014 expenditure estimates converted to $2016.

Based on Washington Office of Financial Management information, the population of the two- county region will expand by 1,129, on average, on an annual basis. So, every year the region will add just over 800 new trail-using residents.[21]

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[20] Earth Economics, "*Economic Analysis of Outdoor Recreation,*" Table H-1, State of Washington,

[21] Staff analysis of Office of Financial Management population estimates.

Table 16: Projected total resident trail walking trips and expenditures by county, 2016 to 2040.

Year	Chelan County		Douglas County	
	Resident Trail Walking Day Trips	Trail Walking Expenditures (2016$)	Resident Trail Walking Day Trips	Trail Walking Expenditures (2016$)
2016	2,969,599	$37,951,478	1,592,966	$20,358,111
2020	3,074,284	$39,289,354	1,706,375	$21,807,476
2025	3,203,341	$40,938,701	1,825,417	$23,328,835
2030	3,316,515	$42,385,066	1,939,687	$24,789,199
2035	3,410,012	$43,579,955	2,044,255	$26,125,575
2040	3,491,304	$44,618,859	2,142,289	$27,378,459

Source: Office of Financial Management, State of Washington SCORP.

Total spending from walking eclipses that of hiking by over $10 million dollars in Chelan County and over $4 million in Douglas County (Table 16). Trail walkers average 97.8 days of participation, which equates to walking two or three times each week. According to the Washington State Trails Plan, about 40 percent of residents participate and spend $12.78 per trip.[22, 23]

Table 17: Projected total resident trail biking trips and expenditures by county, 2016 to 2040.

Year	Chelan County		Douglas County	
	Resident Trail Biking Day Trips	Trail Biking Expenditures (2016$)	Resident Trail Biking Day Trips	Trail Biking Expenditures (2016$)
2016	646,753	$29,019,816	346,934	$15,566,947
2020	669,553	$30,042,831	371,634	$16,675,212
2025	697,660	$31,304,013	397,560	$17,838,528
2030	722,309	$32,409,985	422,447	$18,955,204
2035	742,671	$33,323,664	445,221	$19,977,072
2040	760,376	$34,118,068	466,572	$20,935,096

Source: Office of Financial Management, State of Washington SCORP.

Total spending from resident trail biking trips approaches the same levels spurred by hiking, showing high economic importance regionally as well (Table 17). Just fewer than 25 percent of residents ride their bike on trails. Participants average 36 days of riding a

[22] Responsive Management, "*2013-2018 Washington State Trails Plan*," State of Washington, NA, available at: http://www.rco.wa.gov/documents/rcfb/2013-2018Trails_Plan&Appendices.pdf

[23] Earth Economics, "*Economic Analysis of Outdoor Recreation,*" Table H-1, State of Washington,

year.[24] It is the third most popular trail activity in terms of percentage of total population.[25] Approximately 17 percent of Washington residents run or jog on trails.[26]

Applying the participation and spending rates of residents to visitors helps quantify the impact of out-of-town trail users on the local economy and on demand for outdoor recreational facilities.

Considering total estimated expenditures associated with trail activities in Chelan-Douglas Counties suggests that over $200 million annually is likely spent to support these activities. Furthermore considering population growth alone, this will total into the billions of dollars over the next twenty years. Capturing this growth and these expenditures requires a sufficient supply and accessibility of trails locally, and services to support the equipment and trip needs so that the dollars spent multiply locally.

Key Section Findings

- ***Chelan County has a particular comparative advantage in federal land accessible for outdoor recreation.***
- ***Public land opportunities are particularly scarce in Washington State relative to other states, suggesting potentially high latent demand among state residents.***
- ***Neighboring states currently have much more public land available for recreation, suggesting that differentiated experiences are necessary to attract visitors from afar.***
- ***Involving federal, state, and local resource managers is necessary to fully realize the full regional outdoor recreation potential.***

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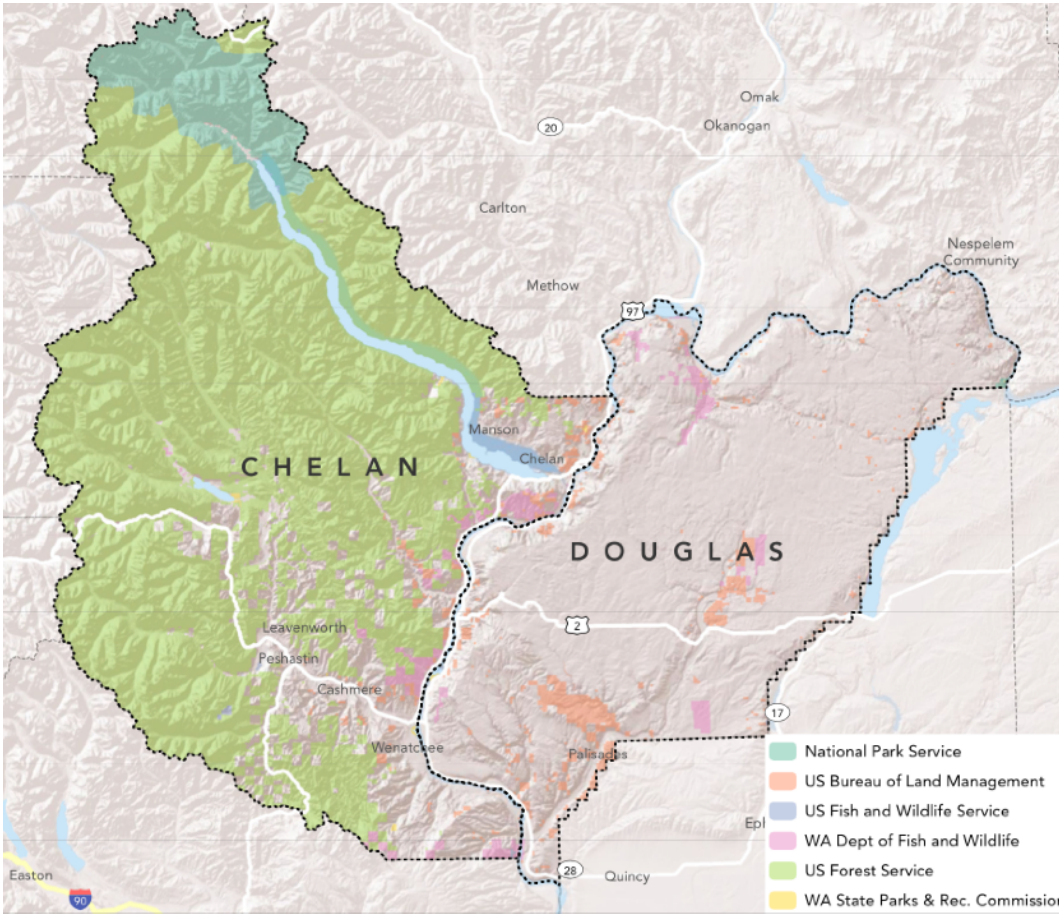
24 Responsive Management, "*2013-2018 Washington State Trails Plan*," State of Washington, NA, available at: http://www.rco.wa.gov/documents/rcfb/2013-2018Trails_Plan&Appendices.pdf

25 Responsive Management, "*2013-2018 Washington State Trails Plan*," State of Washington, NA, available at: http://www.rco.wa.gov/documents/rcfb/2013-2018Trails_Plan&Appendices.pdf

26 Responsive Management, "*2013-2018 Washington State Trails Plan*," State of Washington, NA, available at: http://www.rco.wa.gov/documents/rcfb/2013-2018Trails_Plan&Appendices.pdf

5. Regional Supply Context

Figure 14: Land Ownership in Douglas and Chelan Counties.



Source: Staff analysis of ACS 5-Year Estimates (2009-2014).

5.1. Geography and Land Ownership

Between Chelan and Douglas counties, residents and visitors have access to the full range of mountain outdoor recreation resources and opportunities. Both counties have substantial portions of land accessible to outdoor recreation. On average, the two-county region has a higher percentage of its area suited to outdoor events and activities than the state as a whole. Nearly half of the land is managed by federal agencies with the Forest Service responsible for over 70 percent of Chelan County. (

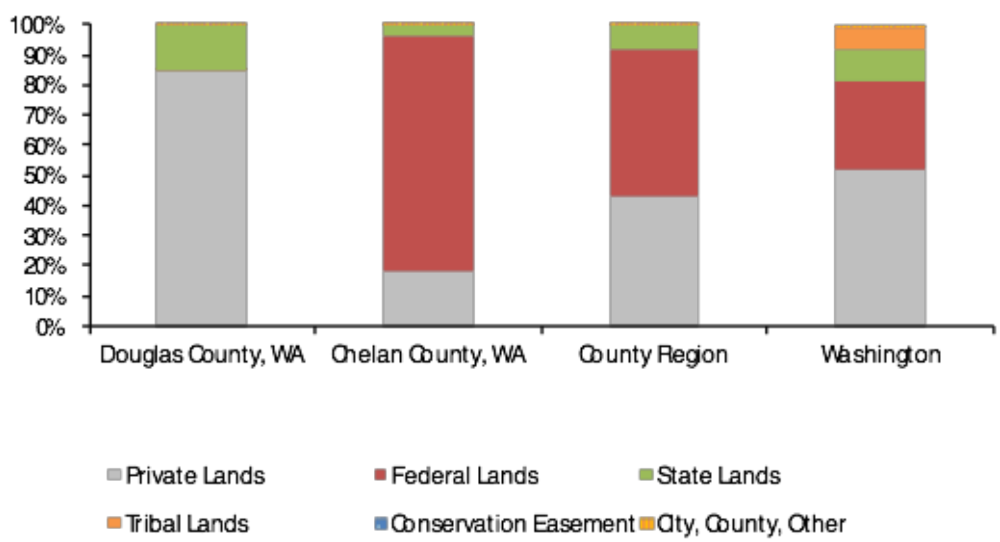
Figure 14, Table 18, Figure 15). 15 percent of Douglas County is administered by Washington State, generally the Department of Fish and Wildlife. In addition, privately and locally-managed lands provide access for trails and water resources.

Overall ownership patterns dictate that the Forest Service will play an important role in any major trail or backcountry recreation development and management. Still though, regional major trail and network investments require coordination across numerous jurisdictions. And of particular importance, connecting opportunities to where residents live and visitors stay or pass, demands involvement of local public and private resource managers.

Table 18. Land Management in Douglas County, Chelan County, and Washington State (acres)

	Douglas County	Chelan County	Two County Region	Washington State
Total Area	1,181,016	1,916,073	3,097,089	42,983,504
Private Lands	998,016	343,545	1,341,561	22,296,119
Conservation Easements	2,123	41	2,164	233,788
Public Lands	183,001	1,572,529	1,755,530	20,687,380
Federal Lands	3,793	1,493,523	1,497,316	12,716,283
Forest Service	2	1,354,836	1,354,838	9,107,632
BLM	2,420	730	3,150	190,446
National Park Service	783	136,865	137,648	1,951,798
Military	0	0	0	854,151
Other Federal	588	1,092	1,680	612,256
State Lands	177,884	73,872	251,756	4,493,813
Tribal Lands	0	151	151	3,154,214
City, County, Other	1,324	4,983	6,307	323,070
Percent of Total				
Private Lands	84.5%	17.9%	43.3%	51.9%
Conservation Easements	0.2%	0.0%	0.1%	0.5%
Public Lands	15.5%	82.1%	56.7%	48.1%
Federal Lands	0.3%	77.9%	48.3%	29.6%
Forest Service	0.0%	70.7%	43.7%	21.2%
BLM	0.2%	0.0%	0.1%	0.4%
National Park Service	0.1%	7.1%	4.4%	4.5%
Military	0.0%	0.0%	0.0%	2.0%
Other Federal	0.0%	0.1%	0.1%	1.4%
State Lands	15.1%	3.9%	8.1%	10.5%
Tribal Lands	0.0%	0.0%	0.0%	7.3%
City, County, Other	0.1%	0.3%	0.2%	0.8%

Figure 15: Land Management in Douglas County, Chelan County, and Washington State (% of total land area).



Source: U.S. Geological Survey, Gap Analysis Program, 2012.

The Chelan-Douglas land ownership profile provides unique comparative advantages within the broader region and Washington State as a whole. In general, outdoor recreation requires access to public lands and waters. Major world-class opportunities require large swaths of public land and contiguous corridors for trails, backcountry, and wilderness experiences. Chelan County has 82 percent of its area in public management, while the state of Washington as a whole is only 28 percent (Table 19). Furthermore the region has an unrivaled concentration of access to water resources, from Lake Chelan and the Columbia River to the Wenatchee River, Icicle Creek, and numerous backcountry lakes and streams.

These public resources with outdoor recreation investment opportunities are particularly scarce in Washington in comparison to other western states. Oregon has nearly twice as much of its area in public management, while Idaho has more than double the percentage of land in public ownership (Table 19). A crucial consideration for evaluating the potential return on investments for outdoor recreation is will there be sufficient demand? While Washingtonians are a generally active and outdoor-oriented population, their options in terms of publicly-accessible lands are well below their neighbors. This suggests that a scarcity likely exists for within-state opportunities given the overall total level of demand. More development of opportunities within Washington would likely lead to more choices to stay within the state for recreation for people who recreate in other states and Canada.

These public land distributions also suggest that Oregonians and Idahoans have numerous outdoor recreation options closer to home than the Chelan-Douglas area. Attracting out of state visitors requires opportunities they cannot find closer to home, or that provide some variety not found closer.

Table 19. Percent of Total Area in State and Federal Management (Recreation-Relevant)

State	Percent of Total Area
Utah	63%
Idaho	62%
Oregon	53%
California	46%
Colorado	36%
Washington	28%

Source: Staff analysis of GIS data[27]. Total includes lands managed by BLM, USFS, NPS, USFWS, state parks and state recreation areas. Actual totals likely slightly higher due to other public lands not included.

[27] Federal land data: Vincent, Carol Hardy, Laura A. Hanson, and Jerome P. Bjelopera (2014). *Federal Land Ownership: Overview and Data*. Congressional Research Service. https://www.fas.org/sgp/crs/misc/R42346.pdf. State land data: Leung, Yu-Fai, Chrystos Siderelis, and Christopher Serenari (2010). *Statistical Report of State Park Operations: 2008-2009*. National Association of State Park Directors. http://finance.vermont.gov/sites/finance/files/pdf/Statistical_Rpt_State_Park_Orgs_2008-09.pdf

A comprehensive inventory of outdoor recreation resources and opportunities does not exist for Chelan-Douglas counties. Such an inventory would be useful for assessing key scarcities. Levels of service in terms of total quantity of certain amenities such as trails and parks are discussed in the next section of this report. Strategically though it can be useful to consider which types of recreation opportunities are most compatible with objectives and responsibilities of each land manager type.

Different land management agencies and institutions have differing management objectives, leading to variable emphasis on outdoor recreation. Based on roles in providing various outdoor recreation services, federal agencies in general play a larger role than other land management entities for outdoor recreation (Table 20). Multi-day and overnight opportunities in particular are most compatible with federal lands. But close-to-home and more frequent recreation resources including trails and parks are a key responsibility and opportunity for local land managers. Visitors from outside the region will be drawn by stunning, large-scale options generally involving federal lands and waters. But existing and potential residents must see ample opportunities with easy accessibility from where they do or would live. If access to outdoor recreation isn't more convenient living in Wenatchee than living in Seattle, the current career and market opportunities in Puget Sound might still be more attractive for business owners and professionals. The entire suite of recreation opportunities is necessary for full realization of the region's potential, from world-class backcountry to in-town trail networks that connect with the national forest.

Table 20. Provider Role Matrix

Outdoor Recreation Facility/Resource/Service		Federal Government					State Government			Local Government			Private
		BLM	USFS	USFW	NPS	BOR	WSPRC	WDFW	WSDOT	County	Municipal	Special District	
Recreation Lands	Dispersed recreation areas	4	4	3	3	3	3	4	0	3	0	0	0
	Wilderness areas - designated	4	4	3	3	0	0	0	0	0	0	0	0
	Wildlife refuges or special wildlife management areas	3	3	4	3	3	0	4	0	0	0	0	0
	Wildlife viewing areas	4	3	4	3	3	3	4	0	0	0	0	0
	Areas where hunting is allowed	4	4	4	0	0	0	4	0	3	0	0	0
Camping/Overnight Facilities	Lodges/resorts	0	1	1	3	1	3	0	0	0	0	3	4
	Cabins/yurts/teepees, etc.	3	1	3	0	3	4	0	0	3	0	0	4
	Concessions (souvenirs, food, gas, etc.)	0	1	3	3	1	4	0	0	3	0	0	4
	Camping sites (RV) - Full hookup/Electrical	3	3	0	0	3	4	0	0	4	0	3	4
	Camping sites (RV) - Group	4	3	0	3	3	4	0	0	4	0	0	0
	Camping sites (RV) - Dispersed (non-designated)	4	3	3	0	3	3	3	0	3	0	0	0
	Camping sites (Tent) - Electrical /Water	3	4	0	3	3	4	0	0	4	0	0	4
	Camping sites (Tent) - Group	4	4	3	3	3	4	0	0	4	0	0	4
	Camping sites (Tent) - Dispersed	4	4	0	0	3	3	3	0	3	0	0	0
	Camping sites - Horse camps	3	4	3	3	3	4	0	0	3	0	0	0
Roads and Trails	Scenic highways	3	4	3	3	0	4	0	0	0	0	0	0
	Backcountry byways	4	4	3	0	0	0	0	0	0	0	0	0
	ATV trail system	4	4	3	0	0	2	0	0	4	0	0	0
	Designated 4x4 motorized trails	4	4	0	0	0	2	0	0	0	0	0	0
	Designated motorized riding areas	4	4	0	0	0	2	0	0	0	0	0	0
	OHV staging areas	4	4	0	0	0	2	0	0	0	0	0	0
	Motorcycle Trails	4	4	0	0	0	2	3	0	0	0	0	0
	Hiking/Mountain Bike Trails	4	4	3	3	3	4	3	0	4	3	4	0
	Nature/Interpretive Trails	4	4	4	4	3	4	0	0	4	3	4	0
	Historic Trails	4	4	3	3	3	4	0	0	3	0	3	0
	Water Trails	4	3	3	3	3	4	0	0	3	0	3	0
	Cross-country skiing Trails	3	4	3	4	0	2	0	0	3	0	0	4
	Equestrian Trails	4	4	3	3	0	4	0	0	3	3	4	0
	Community Trails	3	0	0	0	3	2	0	0	4	4	4	0
Day Use Sites	Highway dayuse parks/ rest areas	3	3	3	3	3	4	0	4	3	0	0	0
	Picnic sites (non-reservable)	4	4	0	4	3	4	3	0	4	4	4	0
	Picnic sites (group-reservable)	4	3	0	3	3	4	0	0	4	4	4	0
	Cultural /historical sites	4	3	3	4	3	4	3	0	3	3	4	3
	Museum /Interpretive Building/Visitor Centers	4	3	3	4	3	4	3	0	3	3	4	4
	Interpretive sites/kiosks	4	4	3	4	3	4	4	3	4	3	4	0
Water Access	General river access	4	4	3	3	3	4	3	0	4	4	4	3
	Boat access/ramps/docks	4	4	4	3	3	4	3	0	4	4	4	4
	Fishing access (piers, shoreline trails, etc.)	4	4	4	3	3	4	4	0	4	4	4	3
Snow Sports	Snowparks	4	4	0	3	0	2	0	2	3	0	0	0
	Downhill ski areas (commercial)	0	1	0	0	0	0	0	0	0	0	0	4
Parks and Other Services	Greenways	0	0	0	0	0	4	0	0	4	4	4	0
	Parkways	0	0	0	0	0	2	0	0	3	4	3	0
	Neighborhood recreation parks (Serving a single neighborhood)	0	0	0	0	3	2	0	0	0	4	4	0
	District recreation parks (Serving 3 or more neighborhoods)	0	0	0	0	0	2	0	0	4	4	4	0
	Large urban parks (100 acres or more with scenic value)	0	0	0	0	0	3	0	0	4	4	4	0
	Large extraurban parks and reservations	0	0	0	0	0	4	0	0	4	3	3	0
	Festivals/events	3	1	3	3	1	4	0	0	3	4	4	4
	Guiding (rafting, fishing, hunting)	4	1	1	0	3	0	0	0	0	3	3	4

Key	
0	Little or no organizational involvement.
1	Licensing only.
2	Funding only.
3	Secondary Provider. A current supplier; is secondary or supportive to its primary mission.
4	Major Provider. Direct relationship to mission; currently providing facilities; provides substantial share of regional supply.

Source: Adapted from information in the Washington and Oregon Statewide Outdoor Recreation Comprehensive Plans.

Key Section Findings

- ***Chelan-Douglas can expect increasing demand for outdoor recreation, particularly among older and more affluent participants.***
- ***Currently, in-migration to the region is slow and home prices have not seen the dramatic increases of other parts of Washington and Oregon.***
- ***Trail and water based activities are likely to experience the most increase in demand.***
- ***Snow-based recreation opportunities will likely become more scarce and valuable as demand grows but opportunities decline.***

6. Demand Context

6.1. Regional Population

As of 2016, Chelan-Douglas counties had 118,000 residents. The resident population will always be the most important source of demand for outdoor recreation in the region. Residents of the state of Washington as a whole, with the Puget Sound region in particular (represented by King County) will be the most important populations for drawing visitors and new residents (Table 21). Oregonians are another important visitor population source, particularly Portland and similar urban areas. Deschutes County, Oregon includes Bend, a useful reference community and destination for consideration of a region that faces many similar characteristics to the Chelan-Douglas county region, and has seen extensive investment in outdoor recreation over recent decades.

Population growth is more rapid in the urban areas than the Chelan-Douglas region, but this is not purely an urban phenomenon as Deschutes County has seen the most rapid recent population growth. Chelan-Douglas has relatively high youth and senior populations, thereby lower working age populations as well. Its Hispanic population as a share is particularly high. Chelan-Douglas has high home ownership rates and relatively low home prices and housing costs, suggesting that housing problems are likely less severe than the other reference areas.

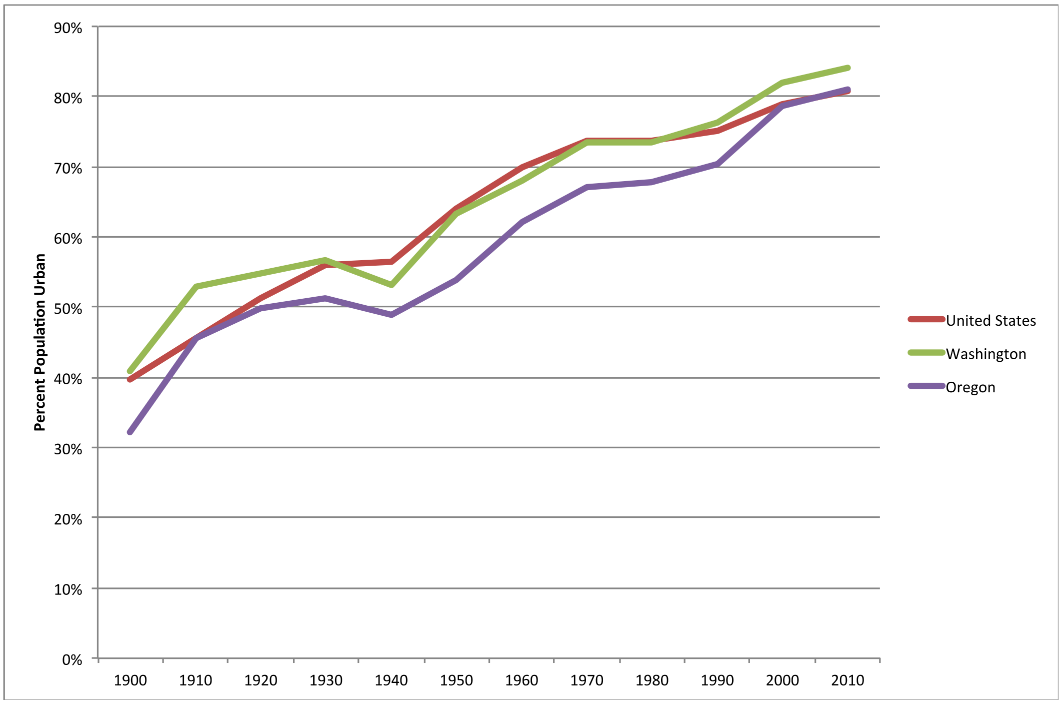
Table 21. Demographic Statistics for Region and Reference Areas

Measure	Washington State	Chelan County, Washington	Douglas County, Washington	King County, Washington	Multnomah County, Oregon	Deschutes County, Oregon
Population estimates, July 1, 2016	7,288,000	76,338	41,327	2,149,970	799,766	181,307
Population, percent change - April 1, 2010 to July 1, 2016	8%	5%	8%	11%	9%	15%
Persons under 18 years, percent, July 1, 2015	23%	24%	26%	21%	20%	21%
Persons 65 years and over, percent, July 1, 2015	14%	18%	16%	12%	12%	19%
Hispanic or Latino, percent, July 1, 2015	12%	28%	31%	10%	11%	8%
Housing units, July 1, 2016	3,025,685	36,731	16,502	910,098	340,290	85,933
Owner-occupied housing unit rate, 2011-2015	63%	66%	72%	57%	54%	65%
Median value of owner-occupied housing units, 2011-2015	259,500	246,300	209,700	384,300	278,300	253,400
Median selected monthly owner costs -with a mortgage, 2011-2015	1,731	1,340	1,387	2,196	1,729	1,487
Median selected monthly owner costs -without a mortgage, 2011-2015	511	393	373	689	576	470
Median gross rent, 2011-2015	1,014	788	824	1,204	964	939
Households, 2011-2015	2,668,912	27,052	14,212	819,651	310,669	66,337
Bachelor's degree or higher, percent of persons age 25 years+, 2011-2015	33%	25%	17%	48%	41%	33%
In civilian labor force, total, percent of population age 16 years+, 2011-2015	64%	61%	64%	69%	69%	61%
Total accommodation and food services sales, 2012 ($1,000)	14,297,278	197,158	36,067	6,223,768	2,506,213	435,585
Total retail sales, 2012 ($1,000)	$118,924,049	$ 1,004,501	$ 429,966	$61,598,157	$ 9,982,933	$ 2,476,596
Total retail sales per capita, 2012	$ 17,243	$ 13,632	$ 10,927	$ 30,685	$ 13,148	$ 15,262
Median household income (in 2015 dollars), 2011-2015	$ 61,062	$ 51,837	$ 53,636	$ 75,302	$ 54,102	$ 51,223
Per capita income in past 12 months (in 2015 dollars), 2011-2015	$ 31,762	$ 25,564	$ 23,598	$ 41,664	$ 31,544	$ 29,158
Persons in poverty, percent	12%	13%	14%	10%	16%	13%
Total employment, 2015	2,602,408	28,899	6,751	1,133,727	418,505	60,309
Total employment, percent change, 2014-2015	3%	8%	10%	3%	4%	7%
Population per square mile, 2010	101	25	21	913	1,705	52
Land area in square miles, 2010	66,456	2,921	1,819	2,116	431	3,018

Source: Adapted from information in the U.S. Census Quickfacts. QuickFacts data are derived from: Population Estimates, American Community Survey, Census of Population and Housing, Current Population Survey, Small Area Health Insurance Estimates, Small Area Income and Poverty Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits.

Chelan-Douglas rates of college education are relatively low, but employment is comparable. While Deschutes County has a 54 percent larger population than Chelan-Douglas counties, it also has 87 percent more accommodation and food sales, and 73 percent more retail sales. Median household incomes though are quite similar for Chelan, Douglas and Deschutes counties. Chelan-Douglas county population density is half Deschutes County, and much lower than the Washington State average.

Figure 16. Rate of Urbanization

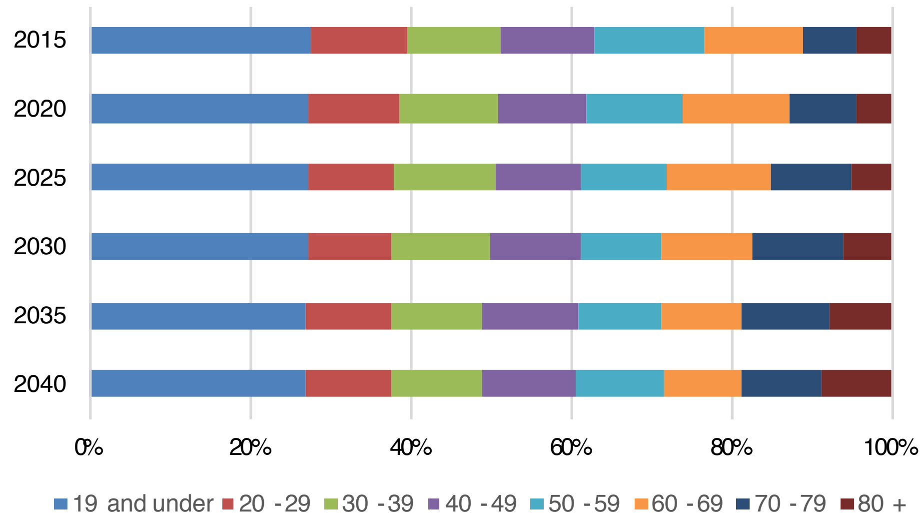


Source: Adapted from U.S. Census data.

In important consideration is the general rate of urbanization across the nation but in Washington and Oregon as well (Figure 16). Urbanization changes the demand for uses of rural public lands as people and jobs move to cities, and it creates a force that smaller and rural communities must face when pursuing economic development. The most economically beneficial uses of forests and rivers are changing.

Demographics in Chelan-Douglas counties will change over time as well. Population forecasts show changes in the percentage and absolute number of different age brackets across the two-county region. As a share of total population, the oldest age brackets are expected to increase over the next few decades (Figure 17).

Figure 17: Two-county region total population by age bracket from 2015 to 2040.



Source: Office of Financial Management, *"Washington State Growth Management Population Projections for Counties: 2010 to 2040*," State of Washington, available at: http://www.ofm.wa.gov/pop/gma/projections12/gma2012_cntyage_med.xls

Generally there is expected to be population growth across all age brackets but for 50-59 (Table 22). The rate of growth though for the oldest age brackets in comparison to younger though is dramatic. The demand for goods and services preferred by the elderly will be an increasing concern. Older populations are active in the outdoors, and this is an increasing phenomenon (Figure 21).

Table 22: Percentage change in total two-county population by age bracket from 2010 to 2040.

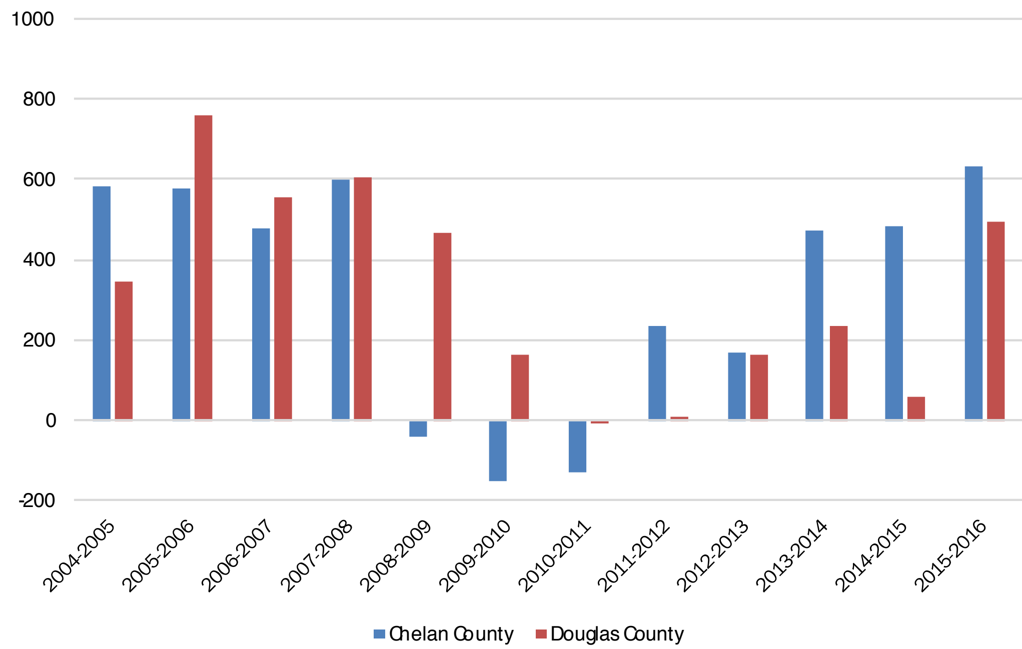
Age	Change from 2010 to 2040
19 and under	22%
20 - 29	18%
30 - 39	26%
40 - 49	19%
50 - 59	-2%
60 - 69	23%
70 - 79	106%
80 +	168%

Source: Office of Financial Management. State of Washington.

6.2. Movement to Two-County Region

Net migration to Chelan and Douglas counties sunk from 2009 through 2011. In the following years, both counties have recorded an influx of new residents through migration. Chelan County, on average, added 530 new residents per year between 2013 and 2016. The correspondingly figure for Douglas County was 262. Nationally, a study by the USDA found that recreation-oriented counties are the fastest growing rural counties in the U.S.[28] Migration and residency can be an increasingly fluid concept as careers allow flexibility in terms of when and where work occurs. Whereas recreation destinations like Chelan-Douglas counties might have historically been a once-a-year one or two week destination, individuals and families can increasingly divide their time between places, possibly facilitating slow transitions to more desirable locations while maintaining more than one residence.

Figure 18: Net Migration in Chelan and Douglas Counties from 2004 through 2016.



Source: WA State Office of Financial Management, Components of population change.

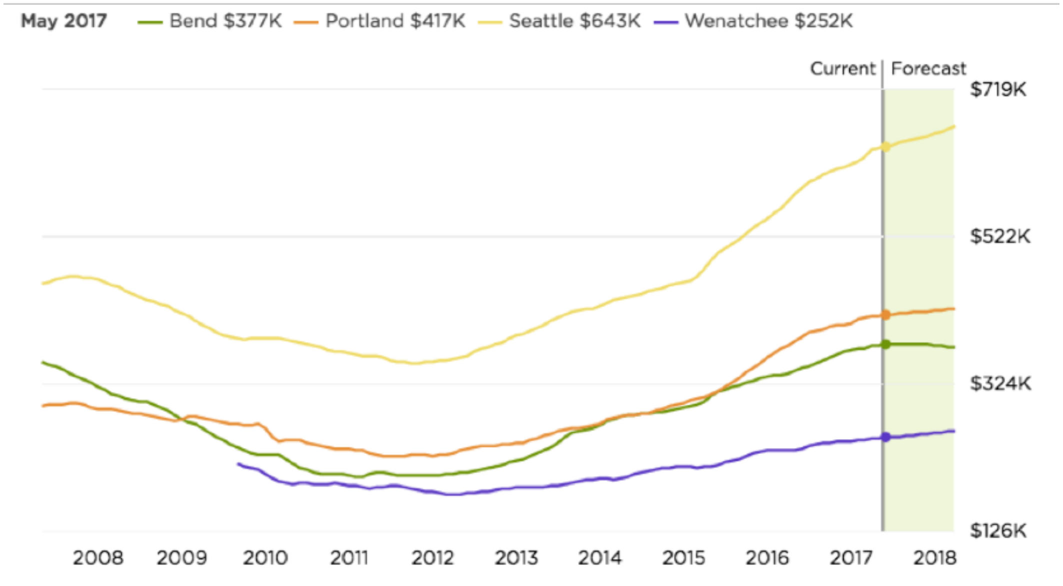
Locally, housing trends evidence an increase in seasonal attraction to the area. As described in more detail in the Appendix, most areas in the two-county region experienced an increase in the concentration of seasonal homes from 2000 to 2014. This rise comes alongside a growth in the overall population. Within the Wenatchee Watershed, the population is forecasted to expand by 2.5 percent annually through 2025. Much of this growth will occur in the same areas – Chelan, Leavenworth, Wenatchee, and East Wenatchee – denoted by visiting survey respondents as their preferred destinations.[29]

[28] Cromartie, J. and T. Parker. 2013. Rural Classifications. USDA, Economic Research Service, December.

[29] WRIA 45 Planning Unit, "*Wenatchee Watershed Management Plan* (Chelan County, 2006), p.1. Access online at: http://co.chelan.wa.us/nr/data/watershed_plan/text/Final%20_5th%20draft_%20WRIA%2045_PLAN_singlesidedprinting%20.pdf

Housing costs can be an important factor for families as they decide where to live. Seattle area homes have increased dramatically in recent years, while Wenatchee home prices have seen a moderate increase in comparison (Figure 19). The May 2017 median home price in Seattle is more than double Wenatchee. Home prices in Bend for comparison have seen more dramatic swings both down and back up than Wenatchee, seemingly more directly affected by broader economic factors driving urban housing prices.

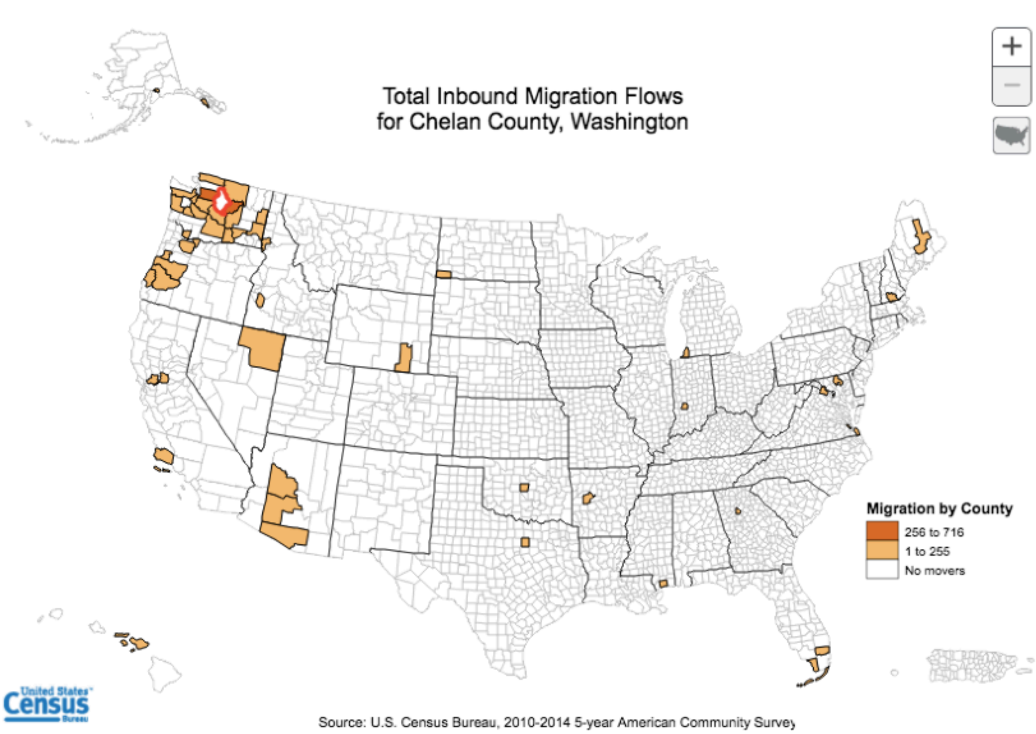
Figure 19. Median Home Prices (Zillow Index).



Source: Zillow Data. https://www.zillow.com/research/data/.

In-migration to the region is generally from Washington and Oregon, with the largest source of in-migration for each of Chelan and Douglas County as the other. After Douglas, Puget Sound counties are the source of most new residents (Figure 20). This would suggest that the region isn't yet a nationally-recognized destination for "amenity" migrants seeking outdoor recreation lifestyles, but rather a regional destination.

Figure 20. Origin of Inbound Migrants to Chelan County (2010-2014).



Source: U.S. Census. Census Flows Mapper.

Research indicates that natural amenities can be a critical component when considering where to move. One comprehensive study found that particularly for older people looking for a new home, the quality of the surrounding natural environment and the opportunity to be close to green space contributed to the final decision.[30] For all age groups of movers, the bundles of amenities, especially natural ones, offered at a potential new destination play a role in their selection of a new community.[31] Of those already residing in counties with wilderness, large majorities identified natural amenities as important to their decision to move there: 83 percent pointed to the importance of scenery, 79 percent selected outdoor recreation, and 78 percent listed environmental quality. Some, perhaps as many as 50 percent, accepted income losses to move to the wilder area.[32]

6.3. National Demand Trends

Understanding national trends in outdoor recreation is important for providing desirable opportunities for visitors. The majority of participants are over 25. Overall nationally, outdoor recreation participation is relatively stable across age groups, with some increase in the share of participation nationally for those over 45 (Figure 21).

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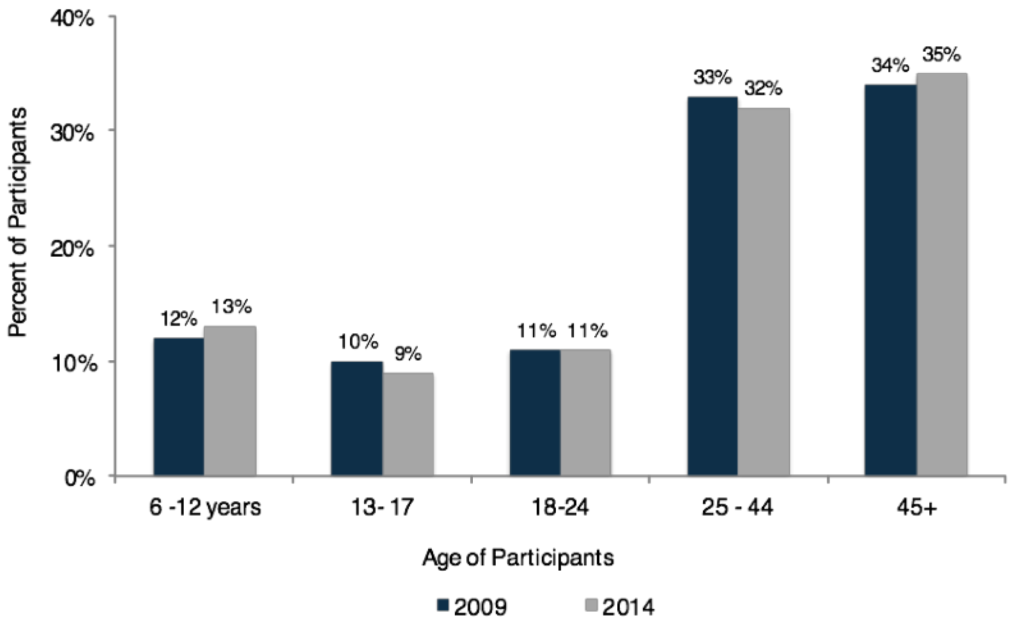
[30] Richard Florida, "*Why People Live Where They Do,*" City Lab, November 9, 2015, available at: http://www.citylab.com/housing/2015/11/why-people-live-where-they-do/414873/

[31] Ronald Whisler, Brigitte Waldorf, Gordon Mulligan, David Plane, "*Quality of Life and the Migration of the College-Educated: A Life-Course Approach*," Growth and Change, March 2008,

[32] Rudzitis, G. and H. Johansen, "*Migration into western wilderness counties: causes and consequences*," Western Wildlands (Spring '89):19-23.

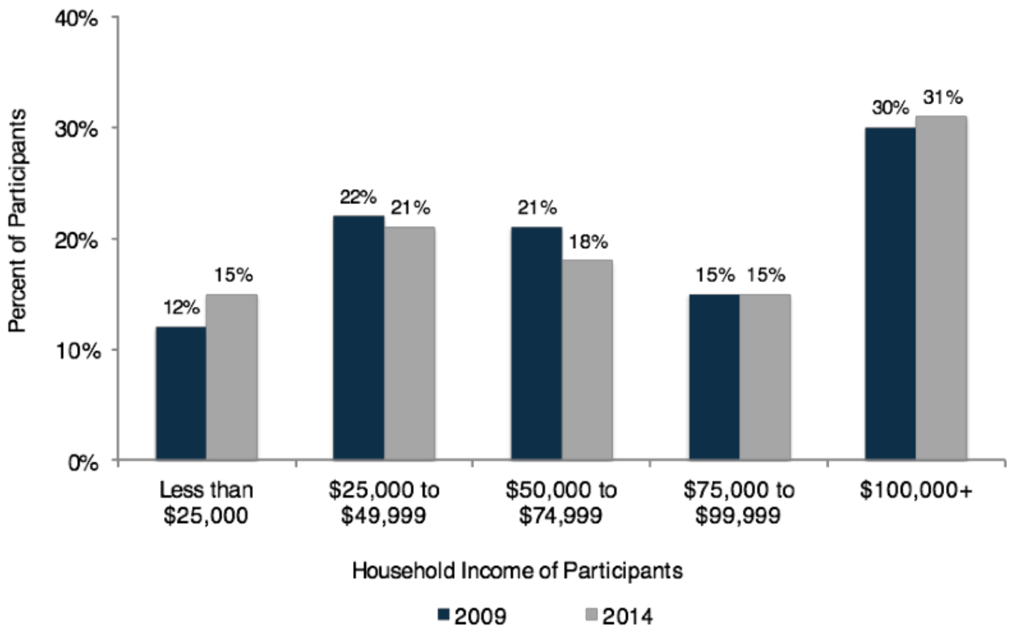
Figure 21. Outdoor Recreation Participation by Age Nationally (Shares of Total), 2009 and 2014



Source: Outdoor Foundation (2010 and 2015). *Outdoor Recreation Participation Report*.

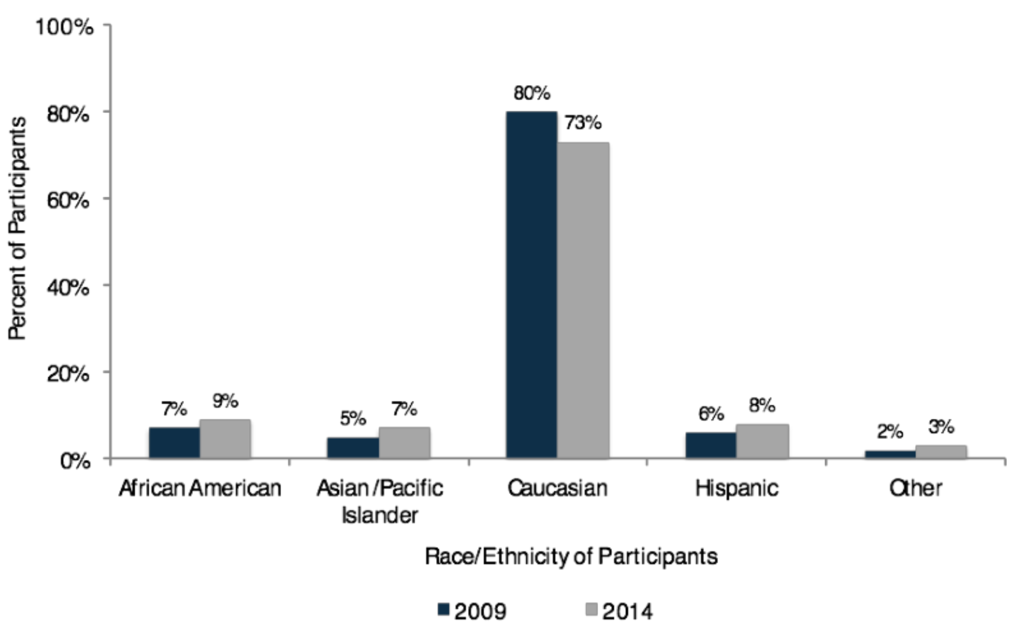
The wealthiest are the most active in outdoor recreation (Figure 22). Outdoor recreation participation as the share of total is increasing among the lowest income brackets, possibly reflecting the availability of free time but unlikely to be associated with substantial spending, while the wealthiest are also seeing some increase in participation, which is likely to increase spending and overall impact. While Whites/Caucasians are still the vast majority of outdoor recreation participants, their share is declining as other ethnicities increase, including Hispanics (Figure 23). College graduates have seen the greatest increase in participation across education levels (Figure 24). This is a group that is capable of traveling and spending on recreation pursuits.

Figure 22. Outdoor Recreation Participation by Income Nationally (Shares of Total), 2009 and 2014.



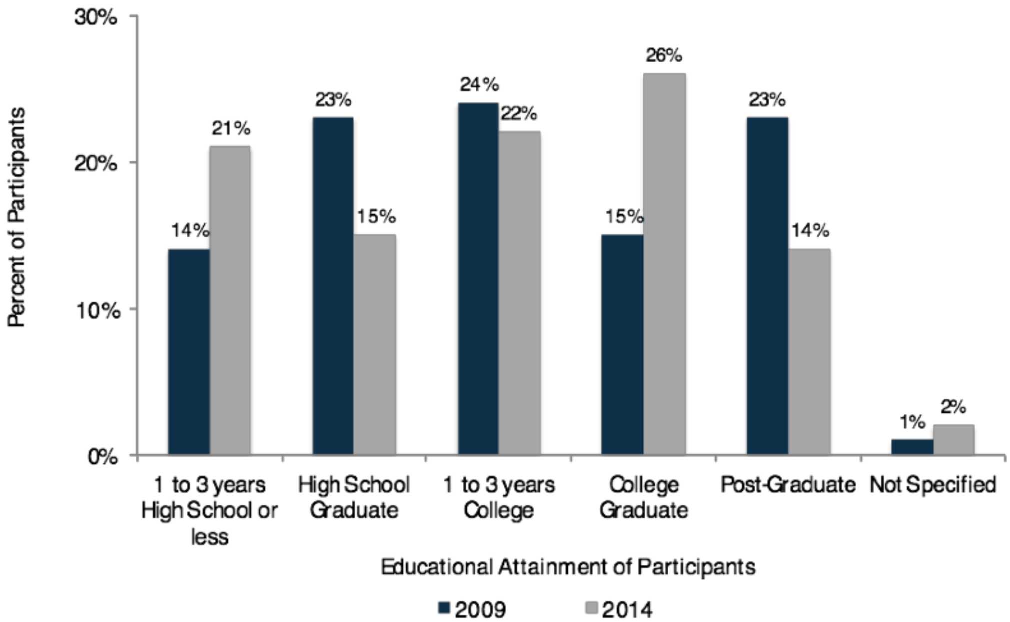
Source: Outdoor Foundation (2010 and 2015). *Outdoor Recreation Participation Report*.

Figure 23. Outdoor Recreation Participation by Race/Ethnicity Nationally (Shares of Total), 2009 and 2014.



Source: Outdoor Foundation (2010 and 2015). *Outdoor Recreation Participation Report*.

Figure 24. Outdoor Recreation Participation by Education Level Nationally (Shares of Total), 2009 and 2014.



Source: Outdoor Foundation (2010 and 2015). *Outdoor Recreation Participation Report*.

6.4. Regional Outdoor Recreation Trends

Across the entire state outdoor recreation participation has increased. The growing population and shifting demographics present recreation providers with major challenges. The Statewide Comprehensive Outdoor Recreation Plan for Washington, though delineated by broad regions such as the North Cascades (which contains Chelan County) and the Columbia Plateau (which contains Douglas County), provides general trends that apply to the Wenatchee Valley. For instance, the report labels accessibility as an area for needed improvement in both the North Cascades and Columbia Plateau regions. Washington residents report a desire for more active recreation facilities such as running paths, fields, and court sport facilities. There are differences across the two regions. 36 percent of Columbia Plateau residents identify as Hispanic/Latino; but only 10.9 percent in the North Cascades region.[33]

Residents of and visitors to the Chelan-Douglas region participated in a broad range of water, land, and snow activities. Through sorting these activities by type and popularity, though, a few divergences in those visiting and staying in Chelan-Douglas counties emerge. Comparing these rates of participation to Washington state averages similarly distinguishes how the counties' residents vary from larger recreation trends. Given that Washington residents made up the lion's share of visitors to Chelan-Douglas counties, statewide trends can inform county efforts to increase participation as well as meet visitors' expectations and needs.

According to the 2013 Washington State Comprehensive Outdoor Recreation Plan (SCORP), 90 percent of Washington residents walk or hike – 54 percent of respondents

[33] Responsive Management, *The 2013 State Comprehensive Outdoor Recreation Plan*, State of Washington, June 19, 2013, available at: http://www.rco.wa.gov/documents/rec_trends/2013-2018SCORP-FullRpt.pdf

explicitly reported hiking. This result aligns with the report's other findings. For instance, "…trends in participation among all residents show a dramatic increase in participation in many nature-based activities…" Concerns about accessibility have ticked upwards with participation and population aging. The report notes that "the survey of Washington residents also asked about problems with opportunities, and the top problems were related to facilities and access: lack of facilities or closed facilities, access or travel distance, costs, and poor quality of existing facilities." Pursuantly, the authors list increasing access as a priority for recreational communities over the next five years.

2013 SCORP results evidence high rates of outdoor recreation for snow and water activities: three-fourths of residents marked that they engaged in some form of water recreation; 31 percent said they participated in snow and ice activities such as snowshoeing, skiing, and skating. Expected regional trends due to climate change will increase demand for water recreation, and good snow-recreation opportunities will likely become scarcer. If Chelan-Douglas counties can maintain and increase high quality water and snow recreation opportunities, the demand they face will likely rise disproportionately faster than population growth as a whole.

Governor Jay Inslee and other statewide officials have placed an emphasis on expanding recreational opportunities to all residents, especially children. The Governor's Blue Ribbon Task Force on Parks and Recreation highlighted how promoting outdoor recreation can improve health, community cohesion, and a stronger economy. To attain these benefits, the Task Force identified short-, medium-, and long-term actions tailored to address funding, access, and quality. One such action item was providing assistance to smaller towns in "planning, designing, building, and marketing outdoor recreation in their area…"[34]

When compared to 2006 SCORP data, outdoor recreation activity rank (determined by level of participation) in 2012 signals increasing rates of participation in key activities; most of these trends are evidenced at the national level as well. The following activities have moved up in rank (with the size of the jump in parentheses) since 2006[35]:

- Visiting a nature center (9)
- Horseback riding (12)
- Fishing from a bank, dock, or jetty (12)
- Hiking (10)
- Water skiing (10)
- Wildlife viewing (8)

In the North Cascades and Columbia Plateau demand for outdoor recreation has outpaced supply. Per the Statewide Comprehensive Outdoor Recreation Plan, within the North Cascades 23 percent of demand for parks and recreation facilities goes unmet; the rate climbs to 33 percent in the Columbia Plateau. Beyond a lack of supply, the quality of facilities in the regions also fail to meet expectations for many residents.[36]

[34] Blue Ribbon Task Force on Parks and Recreation, *"Executive Summary,"* Recreation and Conservation Effort, October 2014, available at: http://www.rco.wa.gov/documents/ORTF/OTF-ExecutiveSummary.pdf

[35] Responsive Management, *The 2013 State Comprehensive Outdoor Recreation Plan*, State of Washington, June 19, 2013, available at: http://www.rco.wa.gov/documents/rec_trends/2013-2018SCORP-FullRpt.pdf

[36] ibid.

- Only 63 percent of Columbia Plateau respondents were satisfied with their park and recreation facilities' condition. 57 percent were not satisfied with the quantity of those facilities.
- 71 percent of North Cascades respondents were satisfied with their park and recreation facilities' condition. 33 percent were not satisfied with the quantity of those facilities.
- Upwards of 20 percent of respondents from both regions wanted a different distribution of recreational facilities.
- Both regions received low scores for providing respondents with recreational opportunities accessible via foot, bicycle, or public transportation.

Key areas of latent demand, or demand that isn't realized through participation or reduced participation in comparison to level desired, are identified in the Washington SCORP study. Activities for which relatively high percentages of survey respondents stated they do not participate but would like to include hiking, skiing, hunting, fishing, non-motorized boating, and camping. Activities for which respondents did participate but would like to participate more include hiking, camping, fishing, and biking.

By 2040, the two-county region will have a much higher absolute number of older residents. Older residents in Washington do not shy away from outdoor recreation. The 2013 Statewide Comprehensive Outdoor Recreation Plan found that "although many recreation activities decline with age, many older Washington residents remain very active and involved in outdoor recreation throughout the state. This study suggests that older residents are participating in nature-based activities at a higher rate than are younger residents."[37] Older residents more regularly garden, beachcomb, and visit nature centers than their younger counterparts.[38]

The percentage of non-White residents will similarly increase. Non-White residents jog, play tennis, swim, and surf at higher rates than their White counterparts.[39] Counties across the state must increase their supply of active recreational activities such as running and swimming if they plan to meet demand.

Of those who participated in the Governor's Blue Ribbon Parks and Outdoor Task Force meeting held in Wenatchee, there was near unanimous consensus around fees and inaccessibility preventing large portions of the community from accessing the area's outdoor recreational sites. Representatives of the Pacific Northwest Ski Areas Association, Mission Ridge Ski & Snowboard Resort, the Wenatchee Row & Paddle Club, and the City of Wenatchee, to varying degrees, called for subsidized or free access for kids to outdoor opportunities. Others pointed out that too few sites have been constructed to enable those with disabilities to recreate efficiently and safely.[40]

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[37] Recreation and Conservation Office, *"Outdoor Recreation in Washington: The 2013 State Comprehensive Outdoor Recreation Plan*," State of Washington, June 19, 2013, available at: http://www.rco.wa.gov/documents/rec_trends/2013-2018SCORP-FullRpt.pdf

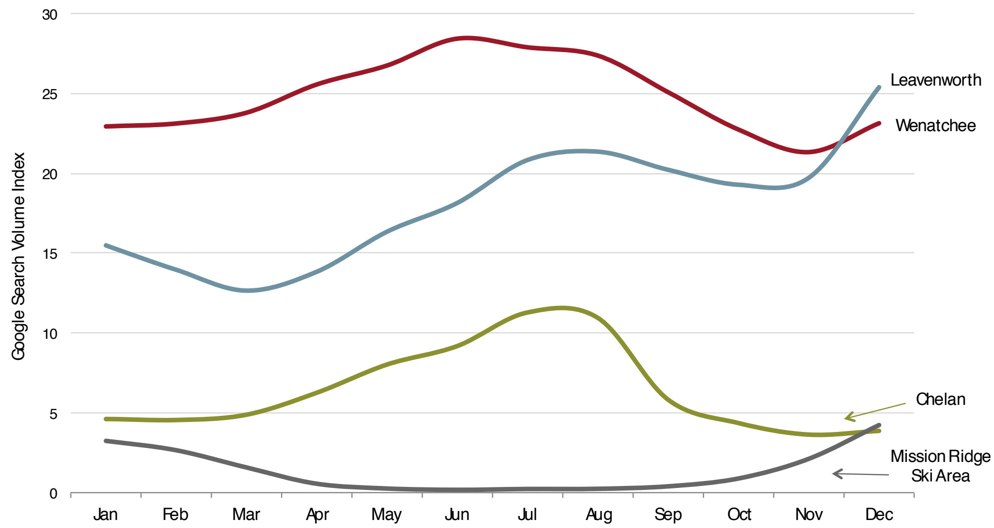
[38] 2013 SCORP, Table 3.16

[39] 2013 SCORP, Table 3.17

[40] Blue Ribbon Parks and Outdoor Recreation Task Force, "*July 8, 2014 Wenatchee Task Force Meeting Summary*," Washington State Recreation and Conservation Office, July 8, 2014, available at: http://www.rco.wa.gov/documents/ORTF/meetings/2014-07_MtgSummary.pdf

Interest in Chelan-Douglas counties is seasonal in nature. Google searches for the major communities are highest during the summer, although the interest starts earliest for Wenatchee (Figure 25). Mission Ridge search interest peaks in December.

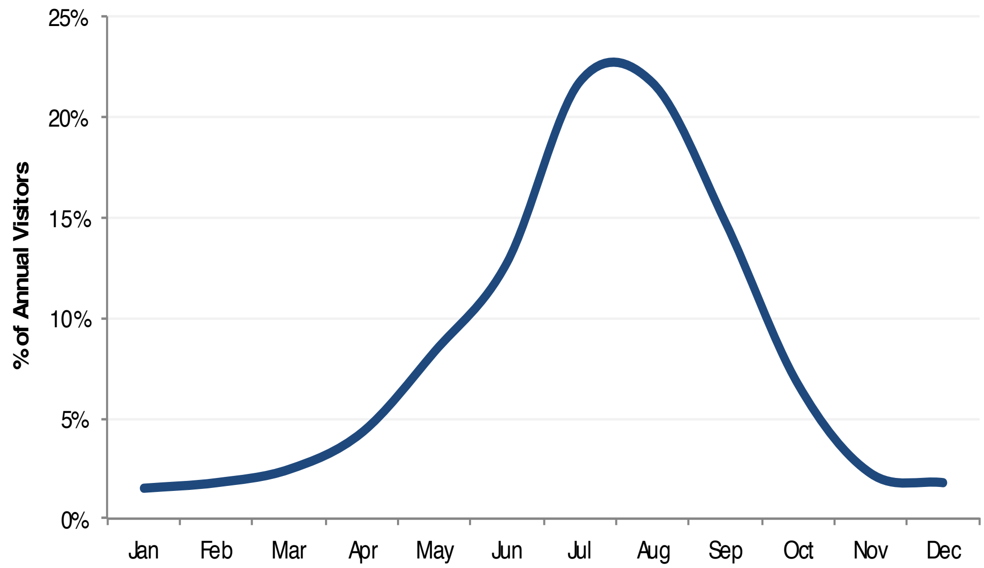
Figure 25: Average Google Search Volumes for Wenatchee, Leavenworth, Chelan, and Mission Ridge, by Season (2004-2016).



Source: Google Trends

Attendance rates at Chelan Lake further evidence how seasonal visitation can be extreme for some resources (Figure 26).

Figure 26: Seasonal Visitation to the Lake Chelan NRA.



Source: National Park Service Use Statistics.

Particularly seasonal in nature, Mission Ridge Ski and Board Resort and the Leavenworth Ski Hill jointly host 136,800 visits annually, with season length dictated by snowpack size, ranging from 12 weeks to over 20.[41] Ski resorts, based on data from Mission Ridge, create substantial economic impact. Mission Ridge estimated that visitors to the area spent around $5.8 million at Wenatchee area businesses. That spending, as stated in the analysis, had a multiplier effect over 2, leading to an estimated total economic impact of $18.7 million annually.[42] Statewide, ski-based spending topped $317 million in 2013-14.[43]

Climate data portends a shorter ski season that could curtail the economic benefits of winter recreation. Ski areas across the state have recorded below-average snowpacks in recent years. Many resorts have had to invest in expensive snow-making machines. Scientists at the University of Washington anticipate that "warm snow," which refers to snow falling at temperatures just below freezing and thus, more prone to melt soon after or be followed by rain, will continue to be more frequent.[44] Ski resorts across the country are attempting to diversify by increasing non-snow opportunities, including mountain biking, festivals, and concerts.

41 Staff analysis of data compiled by the Mission Ridge Ski & Board Resort and Leavenworth Ski Hill.

42 Christine Pretty, "*Kings of winter: Ski areas drive snow-season business,*" The Wenatchee World, 2013, available at: http://www.wenatcheeworld.com/news/2011/nov/19/kings-of-winter-ski-areas-drive-snow-season/

43 Dan Catchpole and Amy Nile, *"The future of Washington's ski areas is not looking too cool*," HeraldNet, November 2015, available at: http://www.heraldnet.com/news/the-future-of-washingtons-ski-areas-is-not-looking-too-cool/

44 ibid.

6.4.1. Trail user preferences, connectivity, and expansion

Many trail users, based on statewide analyses as well as reports from similar outdoor recreation hubs, would like to have longer and more connected trails. For example, a report on Oregon trail use shows that trail users are least satisfied with the proximity and variety of trails in the state.[45] Both issues could be addressed by more trail connectivity. Key results from the survey include:

- Regardless of the trail activity, such as biking, walking, or horseback riding, less than 75 percent of users were somewhat or very satisfied with proximity or variety.
- Over a quarter of backpackers, bikers, and horseback riders prefer trails lengths of more than 15 miles.
- Oregonian trail users likewise prefer that officials build new trails in response to current paths becoming crowded, rather than allow for more and more users to accumulate.
    - 86 percent of singletrack bike riders indicated that they somewhat or strongly preferred new trails to be built.
    - The tally was 73 percent for runners.
- Overall, 45 percent of trail users said that connect trails into larger trail systems was a moderate or high priority.[46]

The State of Washington has prioritized trail connectivity since as far back as 1991. The plan issued by the Trails Advisory Committee in that year listed 29 solutions for better trails. Long distance trails and the interconnection of local trails made that list. The Committee recently gave themselves a 38 percent completion rate on that goal, among the highest levels of completion across the 29 areas. But the committee still has a lot of work to do. They continue to regard long distance and locally interconnected trails as a top priority.[47]

Interconnectivity, though, does not always rise to the top of the committee's priority list. In fact, some competing priorities may receive more attention for the committee in the future. Another of the 29 aims involved increasing accessibility by publicizing opportunities on less crowded trails; the committee has made far less progress on this aim than on interconnectivity. Despite the shortcoming on reducing congestion and building trail networks, committee members still believe the state's priority should be on shorter, local trails. They came to this conclusion because they highly regarded the "distinct traits, amenities, and characteristics offered by local trails." Members also feared that longer trails required too much coordination and planning. The difficulty of determining how

[45] Kreg Lindberg and Tyson Bertone-Riggs, "*Oregon Non-Motorized Trail Participation and Priorities*," Oregon State University, July 2015, available at: http://headwaterseconomics.org/wp-content/uploads/Trail_Study_102-OR-Econ-Impact-Nonmotorized-Trail-Rec.pdf

[46] Kreg Lindberg and Tyson Bertone-Riggs, "*Oregon Non-Motorized Trail Participation and Priorities*," Oregon State University, July 2015, available at: http://headwaterseconomics.org/wp-content/uploads/Trail_Study_102-OR-Econ-Impact-Nonmotorized-Trail-Rec.pdf

[47] Responsive Management, "*2013-2018 Washington State Trails Plan*," State of Washington, NA, available at: http://www.rco.wa.gov/documents/rcfb/2013-2018Trails_Plan&Appendices.pdf

best to fundraise for and collaborate with other jurisdictions and landowners on longer trails also moved the committee to highlight local trails.

MOUNTAIN BIKING

The participation rates for mountain biking described above demonstrate that as a sport it has rapidly grown to prominence to nearly reach the scale of hiking. The high levels of active involvement in advocacy, trail development and maintenance, and stewardship among the mountain biking community in the region attests to the high interest and demand for more mountain biking trail resources. Groups like Evergreen Mountain Bike Alliance and numerous local bike shops play important leadership and organizing roles in these efforts. Mountain biking opportunities in Washington State are relatively scarce in comparison to comparable western states, particularly advanced trails (Figure 27). This suggests likely high rates of usage for new trails by both residents and visitors.

Figure 27. Total Miles of Reported Mountain Biking Trails by State

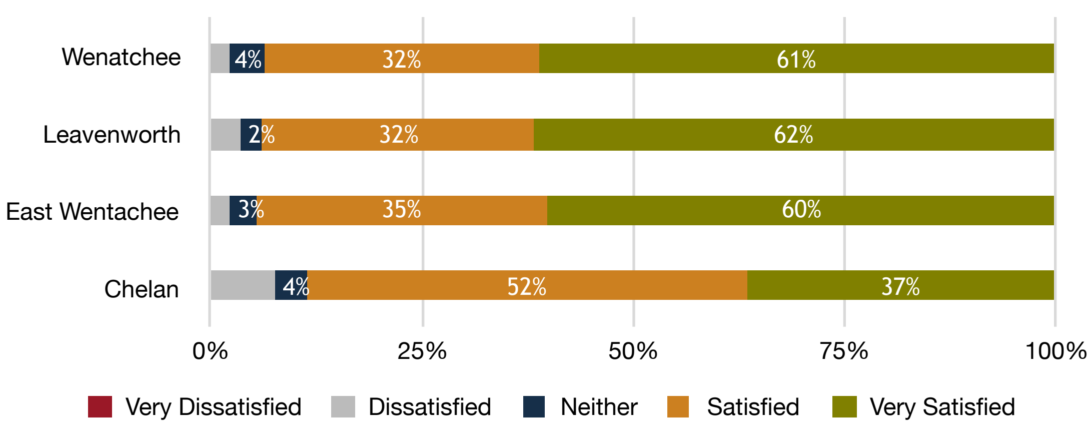
State	Miles of Trails	Total Number of Trails	Percent Advanced Trails
Colorado	10,974	2,506	28%
California	8,538	2,341	20%
Idaho	6,202	916	45%
Utah	3,644	720	28%
Oregon	3,002	544	28%
Washington	1,825	738	22%

Source: MTBProject (partner to International Mountain Biking Association).

6.5. Survey Responses Regarding Preferences

Several questions from the self-administered survey as part of this project reflect the preferences and demands of residents and visitors.

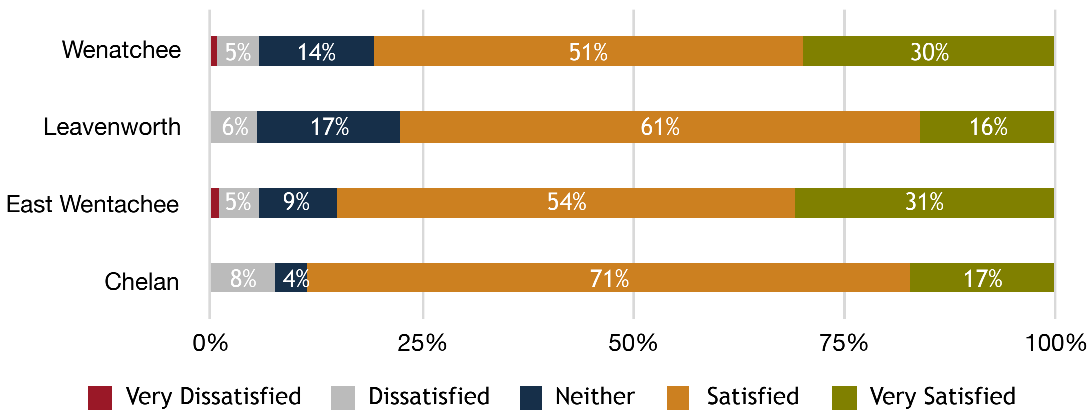
Figure 28: Resident rating of access to outdoors in their town.



Source: ECONorthwest analysis of survey data.

Residents in the four major communities largely approved of the access to the outdoors in their town (Figure 28). Only one community – Chelan – had fewer than 94 percent of its residents select something other than "satisfied" or "very satisfied." Additionally, Chelan had the lowest percentage of "very satisfied" residents. The three remaining communities had rates of "very satisfied" citizens at or above 60 percent.

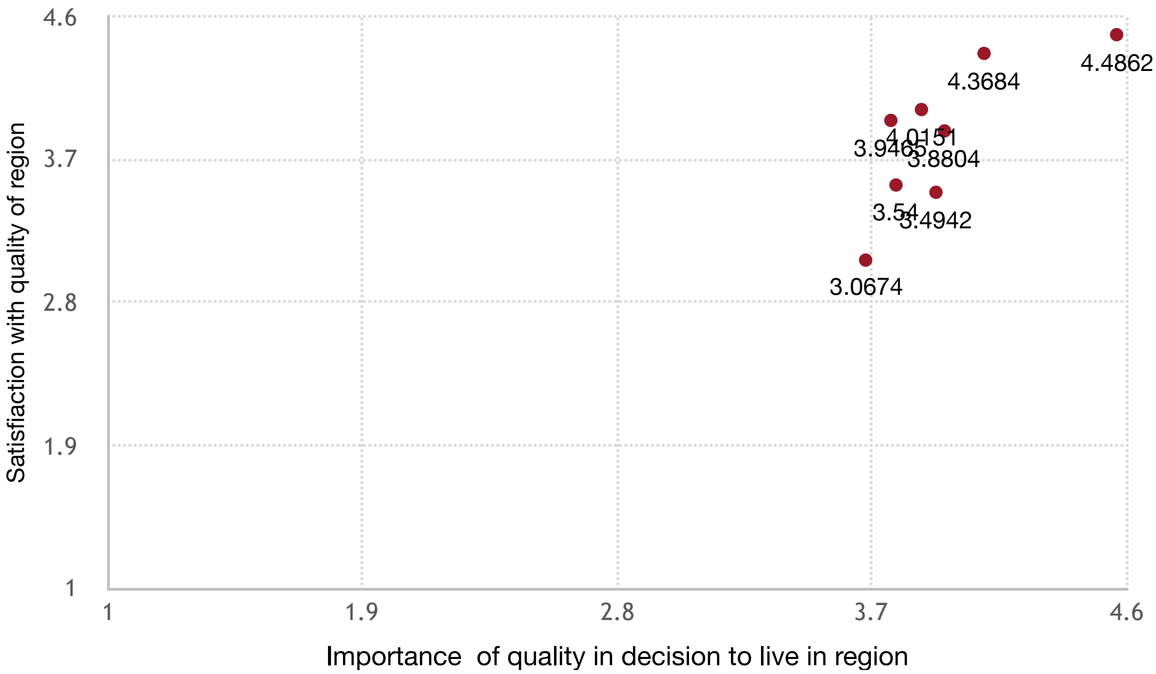
Figure 29: Resident rating of local parks in their town.



Source: ECONorthwest analysis of survey data.

Residents of each community largely felt good about the quality of their local parks: a majority of respondents were "satisfied;" over 16 percent in the towns selected "very satisfied;" and, around 15 percent of Wenatchee and Leavenworth residents held a neutral opinion (Figure 29). Chelan residents had the highest opinion of their parks; almost 90 percent of them had a positive response.

Figure 30: Characteristics for Residence Decisions by Importance and Local Satisfaction.

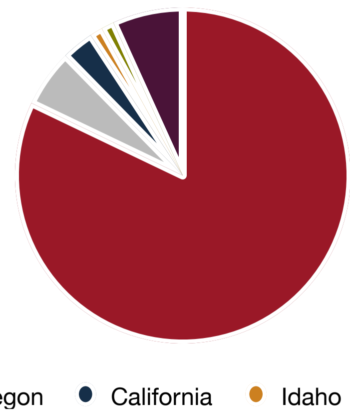


Source: ECONorthwest analysis of survey data.

Figure 30 provides a comparison of how residents view the importance of key community attributes to their satisfaction with those attributes in their community. When asked about the decision to move to the area, a "1" indicated the factor was not important at all, "2" conveyed little importance, "3" stood for average importance, "4" a very important factor, and "5" represented essential factors. The satisfaction figures were assessed on the following scale: "1" – very dissatisfied, "2" – dissatisfied, "3" – neither, "4" – satisfied, and "5" – very satisfied.

Resident respondents, on average, reported each of the factors to have above average importance to their decision to move to the area and scored the attributes favorably, to varying degrees. Those qualities with red markers had a higher average value in drawing residents to the region than level of satisfaction, which may indicate a failure to meet resident expectations. The largest negative difference in importance to move and satisfaction level was tied to housing costs. On the opposite end of the spectrum, climate and weather drew the largest positive separation between importance to moving to the area and satisfaction ranking. Community parks and landscape as well as community and culture similarly garnered satisfaction ratings in excess of the indicated level of importance.

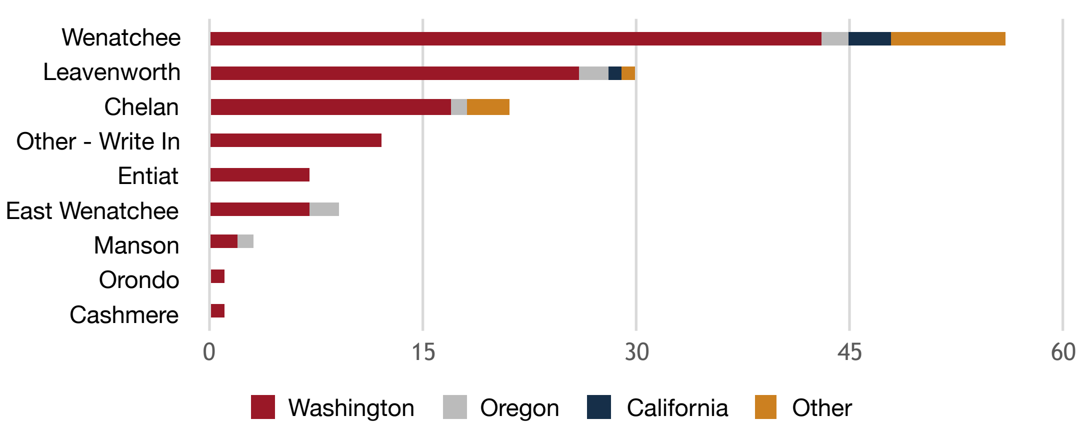
Figure 31: Origin of visitors to Chelan-Douglas counties by state.



Source: ECONorthwest analysis of survey

Visitors completed 13 percent of all surveys. Washingtonians formed the largest share of visitors to the counties (Figure 31). The sum of visitors from other Western states paled in comparison to percentage of visitors coming from another part of Washington. Oregonians represented the second largest delegation. Fewer than 15 visitors, less than ten percent of the total, came from beyond Western states – Oregon, California, Idaho, and Montana. One international visitor completed the survey.

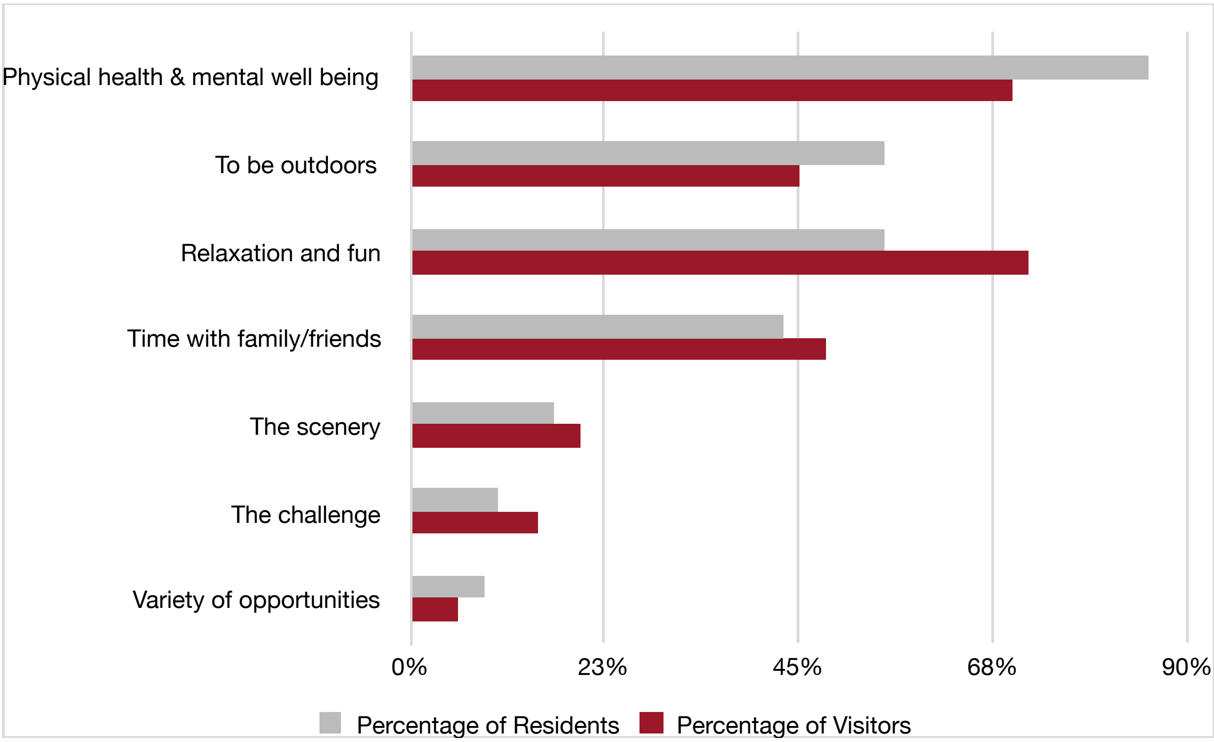
Figure 32: Visitor origin and primary destination.



Source: ECONorthwest analysis of survey data.

Visitors, like residents, tended to congregate in a few communities. Wenatchee, Leavenworth, and Chelan served as the primary destination for three-fourths of visitors (Figure 32). Washingtonians from outside of Chelan-Douglas counties favored Wenatchee, Leavenworth, and Chelan, in that order. Fewer than ten visitors noted East Wenatchee, the community with the third most resident survey participants, as their primary destination.

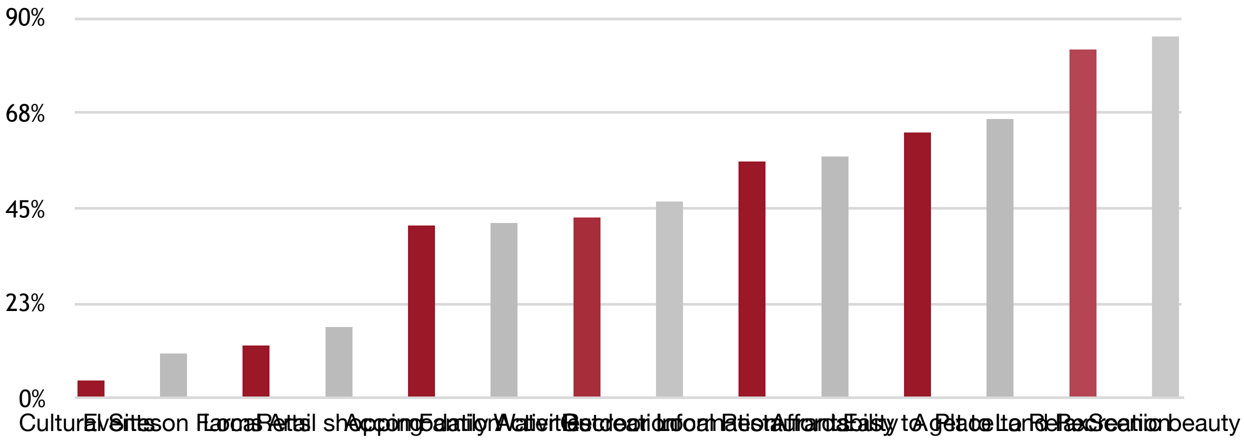
Figure 33: Top reasons selected for purpose for outdoor recreation by visitors and residents.



Source: ECONorthwest analysis of survey data.

Common motivators led visitors and residents outside. Above 70 percent of visitors and residents recreated to improve or sustain their mental and physical health (Figure 33). Likewise, upwards of 45 percent of both groups headed to the park or outdoors for the opportunity to spend time outside. Visitors were far more likely to list relaxation and fun as a top reason for recreation; in fact, it was the top reason chosen for the group. Nearly half of visitors reported time with friends and family spurring them into nature. Under a fifth of all respondents selected the scenery, the challenge, or the myriad of opportunities associated with recreating in Chelan-Douglas counties as one of their top three reasons.

Figure 34: Percentage of visitors that listed a certain amenity as very important or essential to decision to visit.



Source: ECONorthwest analysis of survey data.

Scenic beauty and land recreation opportunities play a major role in attracting visitors to Chelan-Douglas counties (Figure 34). Eight of in ten visitors identify the attributes as essential or very important to deciding to visit the area. Cultural sites, farm activities, and local arts had little influence on motivating visitors. Over 60 percent marked that accessibility (the area being easy to get to) and relaxation propelled them to head to Chelan/Douglas counties. A minority of visitors seem driven to the area by the potential for family activities and accommodation options.

7. Comparison to Similar Areas

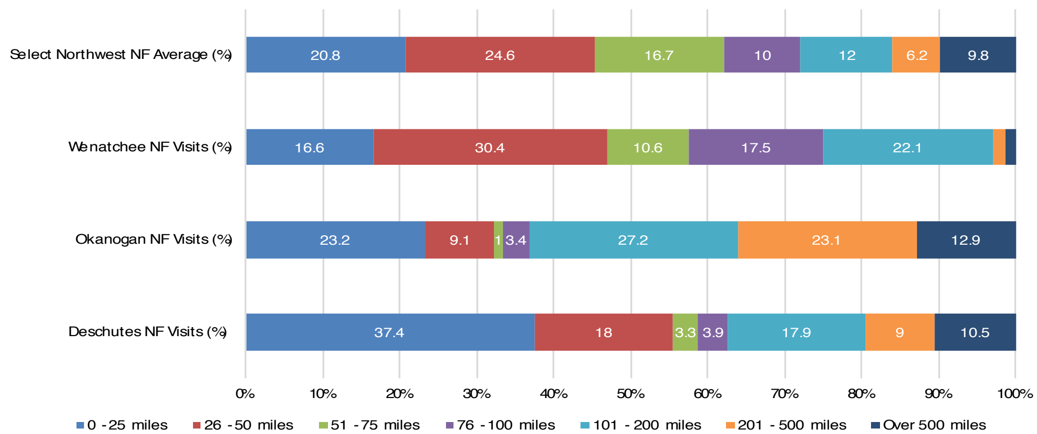
Key Section Findings

- ***Visits by non-locals to the region are below rates for similar areas.***
- ***Rental vacancy rates are relatively low in the region, suggesting supply constraints on longer visits likely exist.***
- ***Bend, Oregon as a reference community provides useful insights: high trail demand, rapid population growth, and attraction to high-wage lifestyle industries***
- ***Fundamental level of service provision in Chelan County communities is comparable to that of Bend, but full accessibility and overall experience likely has room for improvement.***

7.1. Reference Communities and National Forests.

There is a concern that Chelan-Douglas counties attract fewer visitors from greater distances than comparable regions. This section of the report compares data from other national forests. It also includes consideration of conditions in Bend, Oregon, a community that has heavily invested in outdoor recreation and tourism. Using National Forest visitor data, it becomes possible to analyze distribution of distances visitors traveled to each location to assess these concerns (Figure 35).

Figure 35: National Forest survey results for distance from home to interview location for select Pacific Northwest National Forests.



Source: U.S. Department of Agriculture, Forest Service National Visitor Use Monitoring. Select Northwest National Forests includes Deschutes, Mt. Hood, Okanogan, Wenatchee, and Willamette National Forests and the Columbia River Gorge National Scenic Area.

Of the reference forests, the Wenatchee National Forest attracted the smallest percentage of visitors from over 200 miles away (Table 23). Whereas, on average, 16 percent of Northwest National Forest visitors come from over 200 miles away, under 3 percent of visitors to the Wenatchee National Forest ventured from that far. Over three-fourths of visitors to Wenatchee came from under 100 miles away, the highest proportion of any of the analyzed forests.

Visitors that travel fewer miles to recreation destinations spend less money, on average, regardless of the outdoor activity.[48] Deschutes National Forest and Wenatchee National Forest have the highest rates of visitors from within 50 miles. These visitors, defined as locals, spend nearly $20 less per day trip and almost $88 less per overnight trip than their nonlocal, visitors who traveled over 50 miles, counterparts.[49]

[48] Eric White and Daniel Stynes, "*National Forest Visitor Spending Averages and the Influence of Trip-Type and Recreation Activity*," Society of American Foresters, January/February 2008, available at: https://pubag.nal.usda.gov/pubag/downloadPDF.xhtml?id=12887&content=PDF

[49] Eric White and Daniel Stynes, "*National Forest Visitor Spending Averages and the Influence of Trip-Type and Recreation Activity*," Society of American Foresters, January/February 2008, available at: https://pubag.nal.usda.gov/pubag/downloadPDF.xhtml?id=12887&content=PDF

Table 23: Breakdown of visitor distance traveled to select National Forests by hundreds of miles.

Survey Respondent's Home to Interview Location	Deschutes NF Visits (%)	Okanogan NF Visits (%)	Wenatchee NF Visits (%)	Select Northwest NF Average (%)
Under 100 miles	62.6	36.7	75.1	72.1
101 - 200 miles	17.9	27.2	22.1	12.0
200+ miles	19.5	36.0	2.9	16.0

Source: U.S. Department of Agriculture, Forest Service National Visitor Use Monitoring. Select Northwest National Forests includes Deschutes, Mt. Hood, Okanogan, Wenatchee, and Willamette National Forests and the Columbia River Gorge National Scenic Area.

Wenatchee National Forest's low rate of distant visitors likely applies to the surrounding area. This means that the region as a whole could increase overall recreation-based spending by attracting visitors from more distant locations. In terms of total visitation, Wenatchee National Forest attracted more National Forest Visits than the Willamette and Okanogan National Forests (Table 24). Based on the National Forest visits to Wenatchee National Forest, fewer than 32,000 of National Forest visitors travel from 200 miles away (Table 25). Comparatively, although fewer total visitors go to Okanogan National Forest, close to 98,000 of the National Forest's visitors traveled from more than 200 miles away.

Table 24: Annual visit types to Pacific Northwest National Forests

	Visits (1,000s)	
	National Forest Visits	Site Visits
Columbia River Gorge National Scenic Area	1,367	2,388
Deschutes NF	1,376	1,937
Okanogan NF	272	361
Wenatchee NF	1,096	1,228
Willamette NF	938	1,387

Source: U.S. Department of Agriculture (USDA), Forest Service National Visitor Use Monitoring[50]

Table 25: Wenatchee National Forest Annual Visits by Distance

Under 100 miles	101-200 miles	200+ miles
823,096	242,216	31,800

Source: U.S. Department of Agriculture (USDA), Forest Service National Visitor Use Monitoring

The two-county region also falls behind competing tourism hubs in terms of number of tourists per resident (Table 26). Places like Bend, OR and Hood River County in Oregon

[50] According to the USDA, a National Forest Visit is defined as the entry of one person upon a national forest to participate in recreation activities for an unspecified period of time. A National Forest Visit can be composed of multiple Site Visits. A Site Visit is the entry of one person onto a national forest site or area to participate in recreation activities for an unspecified period of time.

were among the places respondents to the survey for this project (described later) considered traveling to in place of Chelan and/or Douglas County. Bend recorded the highest visitor to resident ratio. The ratio of visitors to residents for Chelan County is relatively close to Bend. So as a proportion of resources and consideration of burden between residents and visitors, Chelan County might not be substantially below its potential.

Table 26: Visitor per resident ratios for select Pacific Northwest high outdoor recreation tourism destinations

Community	Population	Annual Overnight Visitor Trips	Visitors per Residents
Bend, OR	87,014	2,490,000	28.6
Chelan County	75,644	1,920,000	25.4
Hood River County, OR	23,137	389,000	16.8
Deschutes County, OR	175,268	2,545,000	14.5
Douglas County	40,534	372,000	9.2

Source: American Community Survey, U.S. Census Bureau, Visit Bend, Dean Runyan Associates, based on information from 2015 and 2016

If Douglas County had the same ratio of visitors to residents as Chelan County, then total visitor trips would increase by more than 641,000 per year. Chelan County would need to increase total visitor trips by 273,676 or a little over 14 percent.

Diversity of Visitation

Table 27: Percentage of visitors to select National Forests by ethnicity.

	American Indian	Asian	Black /African American	Hawaiian /Pacific Islander	White	Hispanic/ Latino
River Gorge National Scenic Area	1.4	1.7	0.2	1.7	98.0	2.8
Deschutes NF	4.0	0.3	0.0	0.1	99.4	2.4
Okanogan NF	2.6	1.7	0.2	0.6	98.5	4.8
Wenatchee NF	3.2	1.8	1.2	1.1	96.4	5.2
Willamette NF	1.9	5.0	0.8	1.0	93.9	3.3

Source: U.S. Department of Agriculture (USDA), Forest Service National Visitor Use Monitoring

Among the reference forests, the Wenatchee National Forest attracted the second most diverse set of visitors (Table 27). However, the demographics of visitors to the National Forest do not match those of the surrounding area. Table 28 demonstrates how, according to the U.S. Census Bureau, visitation to the National Forest differed from Chelan County, based on demographics.

Table 28: Difference between percentage of visitors to Wenatchee National Forest and residents of Chelan County, by demographics.

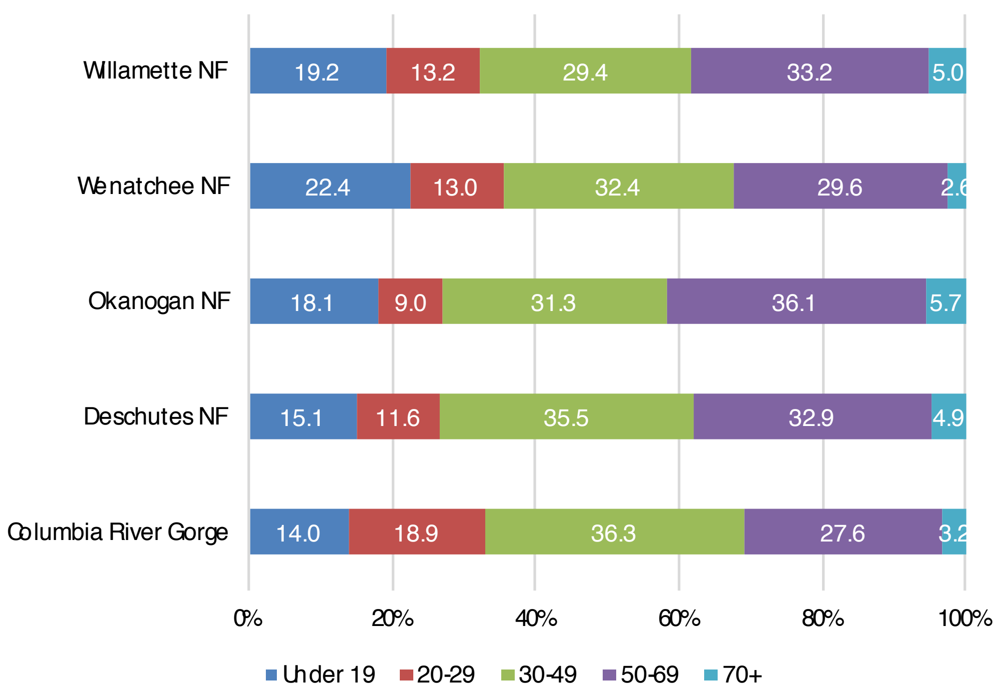
	American Indian	Asian	Black / African American	Hawaiian / Pacific Islander	White	Hispanic/ Latino
Chelan County	1.9	0.8	0.6	0.1	63.0	31.8
Wenatchee NF	3.2	1.8	1.2	1.1	96.4	5.2

Source: American Community Survey, U.S. Census Bureau, U.S. Department of Agriculture (USDA), Forest Service National Visitor Use Monitoring

White people visit the National Forest at a disproportionately high rate, a difference of 33.4 percent, and Hispanic/Latino visitation trails their composition of the county population by 26.6 percent.

The Wenatchee National Forest attracts a high number of young visitors (Table 29). Over 35 percent of visitors to the destination were under 30 years old. Comparatively, Okanogan National Forest had the highest percentage of visitors over the age of fifty among the selected Forests.

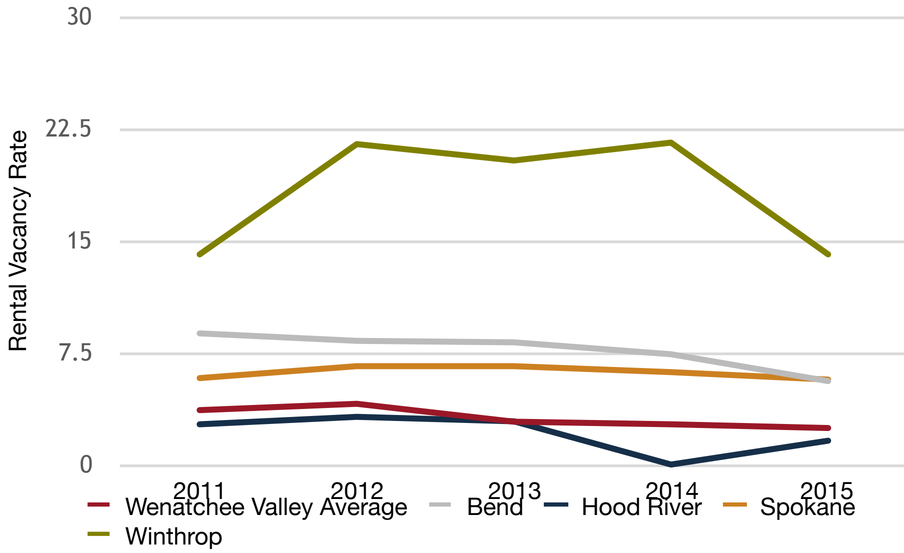
Table 29: A comparison of the percentage of visitors to select National Forests by age demographics.



Source: U.S. Department of Agriculture (USDA), Forest Service National Visitor Use Monitoring

Availability of housing could be a concern, if there are not enough accommodation options for visitors. In comparison to a sample of reference communities, Chelan and Douglas counties, on average, have a smaller share of rental units available than the other communities, with the exception of Hood River (Figure 36).

Figure 36: Rental vacancy rates across communities from 2011 to 2015.

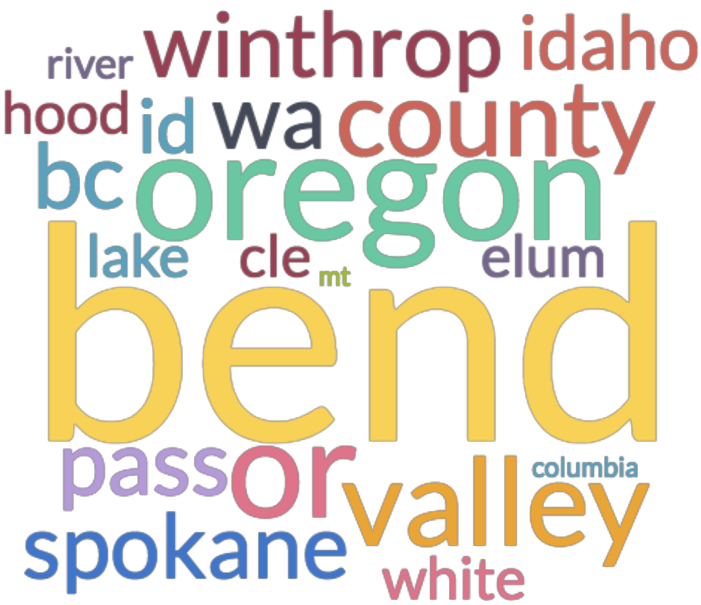


Source: American Community Survey.

7.2. The Economics of Outdoor Recreation in Bend, Oregon

When prompted to answer, "What other regions or destinations compete with Chelan-Douglas counties, in your mind?" respondents selected communities like Bend, Winthrop, Spokane, and Hood River (Figure 37). Bend provides a useful reference for considering investment in outdoor recreation opportunities at the local level. The Bend Parks and Recreation District (BPRD) has made major investments in recreation opportunities on behalf of the community. These investments include facilities and parks, but also major trail networks and large regional parks, both of which connect with neighborhoods and the Deschutes National Forest. Furthermore, BPRD has taken on less conventional investments as well, including new types of skate parks, and a whitewater park on the Deschutes River that includes 4 major whitewater and surfing features, and a channel for tubing and other non-whitewater craft.

Figure 37: Word cloud of other destinations considered or viewed similarly by visiting survey respondents.



Bend has seen rapid population growth over recent decades as people flock to the region for quality of life and amenity objectives. In 1990 Bend's population was just over 20,000, and by 2016 it was over 90,000 (according to U.S. Census). BPRD has level of service objectives that can be challenging and expensive to maintain given such rapid population growth. BPRD defined those goals as: 1.5 acres of neighborhood parks, 5 acres of community parks, 10 acres of regional parks, and 1 mile of trail all per 1,000 residents.[51, 52] As of early 2017 BPRD had met three of their four goals: there were 1.5 acres/1000 residents of neighborhood parks, 6.2 acres/1000 residents of community parks, 12.2 acres/1000 residents of regional parks, and 0.7 miles of trail/1000 residents.[53]

BPRD just within the district limits, which closely match those of the city, manages 3,469 acres of park recreation and natural area and 65 miles of trails. There are school and state park recreation lands within the city limits as well, and state park and national forest lands are contiguous the city, providing direct access to hundreds of miles of trail nearly directly from residents' doorsteps. 50 percent of homes in Bend are within 0.2 miles of the nearest park or trail, while nearly all are within 1 mile (Figure 48). These trails within the city limits see particular high usage rates. BPRD maintains trail counters on major trails. Trail counter data captured an annual average of 652,000 trips from 2014 to 2016 for trails totaling half of their inventory (Figure 39). A property value hedonic analysis of the effect of proximity to parks and trails on home values in Bend found at least a 3 percent premium for living within 0.2 miles of a trail or park, which equates to over $11,000 in additional price people are willing to pay to live close to these amenities. This totals $150 million across the city just for these homes closest to parks and trails, and

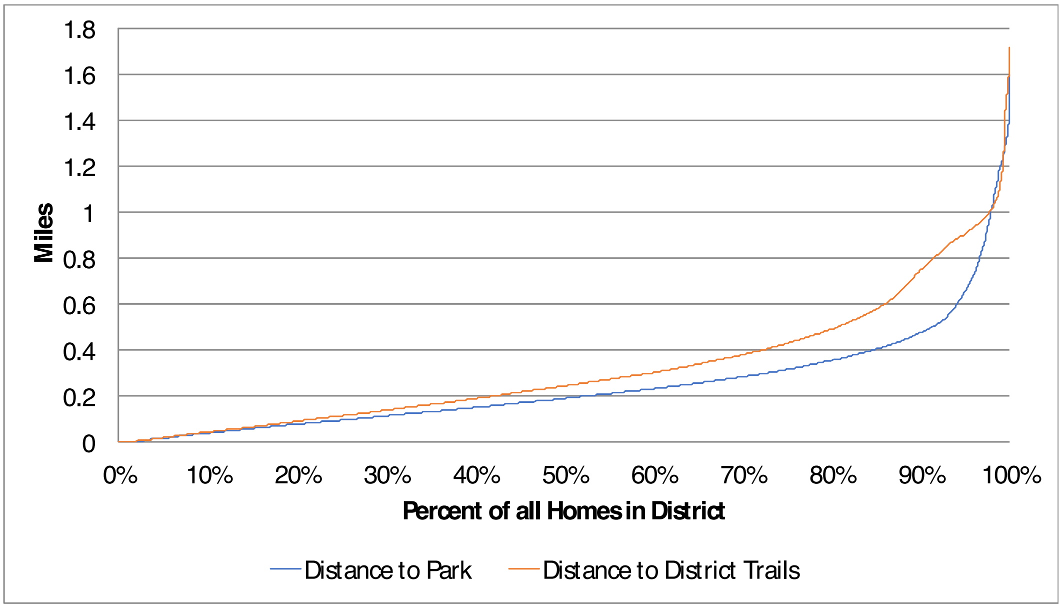
[51] "*Parks, Recreation, and Green Spaces: Comprehensive Plan February 2012 Update*,"

[52] The District defines community parks as those with an influence radius of 2 miles; neighborhood parks have an influence of ½ mile.

[53] BPRD Staff data.

does not capture the overall willingness to pay to live in a region with such high trail and park availability.[54]

Figure 38. Single Family Homes in Bend, Oregon by Proximity to Parks and Trails



Source: ECONorthwest and Bend Parks and Recreation District study in process.

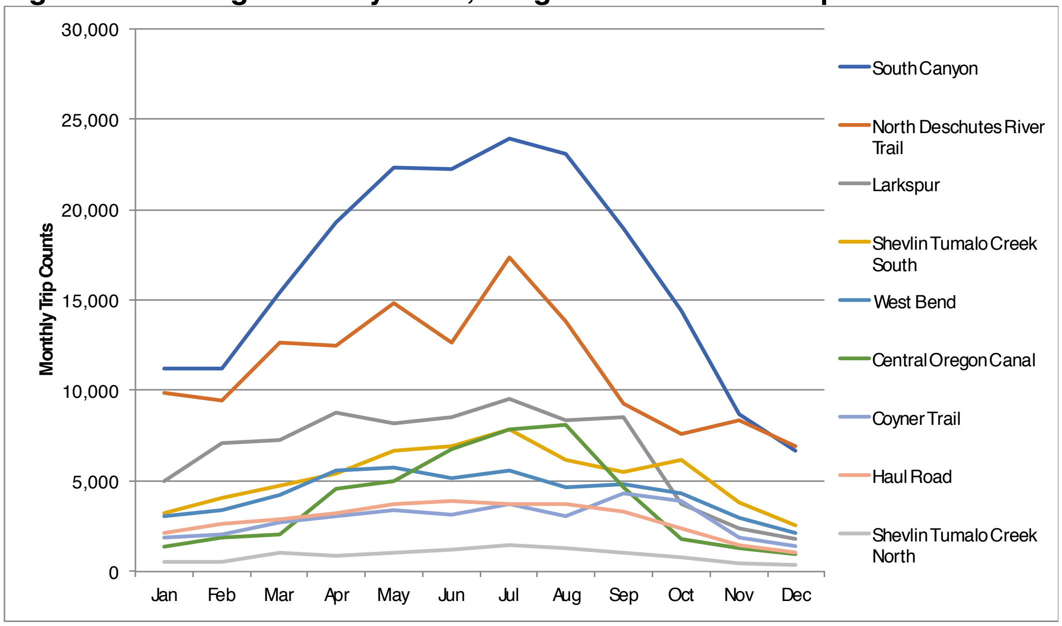
Bend sees high tourism rates. The state of Oregon has a hotel tax, the revenue from which is used to fund local and state tourism efforts, in this case via the agencies Travel Oregon (state level) and Visit Bend (local). Bend sees 1.2 to 1.5 million summer visitors, and 600,000 to 800,000 winter visitors. [55] Total spending by these visitors is estimated at $200 to $250 million.[56]

[54] Property value analysis conducted by ECONorthwest for BPRD in a report in progress.

[55] RRC Associates, Inc., "*Estimation of Bend, Oregon Visitor-Trips and Visitor-Days*." 2015. http://www.visitbend.com/RRC-estimate-Bend-visitor-days-visitor-trips-2015.pdf; RRC Associates, Inc., "*Bend Area Visitor Survey Summer 2016 Final Results*." October. http://www.visitbend.com/Bend-Summer-2016-Report-FINAL.pdf; RRC Associates, Inc., "*Bend Area Visitor Survey Winter 2015/16 Final Results*," Visit Bend, May 2016, http://www.visitbend.com/2015-16-Bend-Oregon-Winter-Survey-Report.pdf.

[56] based on analysis of data from Dean Runyan Associates, "*Oregon Travel Impacts 1992-2015p*," Oregon Tourism Commission, May 2016, available at: http://www.deanrunyan.com/doc_library/ORImp.pdf.

Figure 39: Average Monthly Bend, Oregon Trail Counter Trips 2014-2016



Source: ECONorthwest and Bend Parks and Recreation District study in process.

Based on data collected and categorized by the Oregon Employment Department, Bend has seen a growth in "lifestyle" industries, defined as industries that have flexibility in terms of where they are located, and free to locate in areas with desirable amenities. When other industries in Bend were seeing payroll declines during the recession, including recreation and tourism, lifestyle industry payrolls were still increasing (Table 30). And as economic growth has returned across industries for the region, lifestyle industries have grown faster than the average and faster than recreation and tourism, which has also outpaced all other industries.

Table 30: Change in Total Payroll in Select Bend industries from 2005 to 2015.

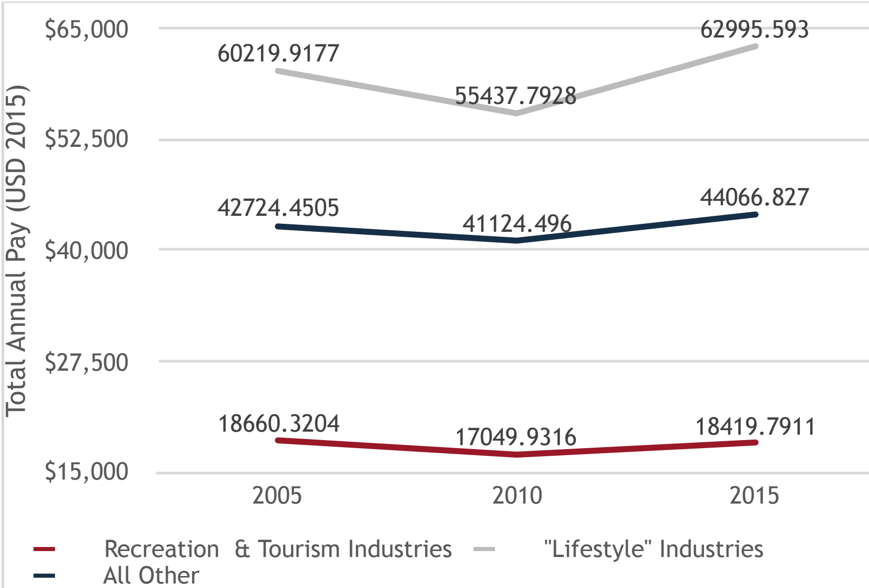
	2005-2010		2010-2015	
Industry	Dollar Change	Percent Change	Dollar Change	Percent Change
Recreation & Tourism Industries	($1,303,796)	-1.34	$40,481,117	42.17
"Lifestyle" Industries	$17,128,453	11.30	$82,710,650	49.05
All Other	($154,732,385)	-13.02	$381,130,696	36.86

Source: Oregon Employment Department, Quarterly Census of Employment and Wages (2005, 2010, 2015). Courtesy D. Runberg.

One challenge always facing a recreation-focused approach to economic development is the relatively low wages provided for most of these jobs. Recreation and tourism jobs tend to require little in the way of traditional education and high desirability, both of which combine to create high competition to capture these positions, often held by relatively young and inexperienced members of the labor force. In Bend, average wages for recreation and tourism business are less than half all other non-lifestyle industry jobs

(Figure 40. Lifestyle industry wages to the contrary though are roughly 50 percent greater than wages for all other jobs (not including recreation and tourism).

Figure 40: Annual average pay across industries in Bend, 2005 through 2015.



Source: Oregon Employment Department, Quarterly Census of Employment and Wages (2005, 2010, 2015).

The Bend example is useful for considering how a community with well-developed and highly accessible outdoor recreation amenities fares under similar conditions to Chelan-Douglas counties. Both areas are east of the cascades a few hours from major population and industrial centers, offering more sunshine and access to federal public lands. The mix of opportunities is somewhat different, and topography is generally less dramatic in Bend than Chelan County, which makes for easier access in Bend but possibly less challenging conditions on most trails for example.

Based on Bend's level of service objectives, Wenatchee and East Wenatchee would require 35 miles of trail directly accessible to residents. The Wenatchee Foothill Trails network combined with the Apple Capitol Loop Trail and other local trails puts the level of service comparable to Bend. Efforts to connect to and develop these local trail networks with surrounding national forest lands and trails further increases their value.

Bend's downtown and BPRD parks near the Deschutes River are attractive and provide a draw for visitors as well as the trail and encompassing forest and river amenities. The availability of high quality options for the full trip or lifestyle experience is an important complement to the rivers, lakes, and trails that attract individual trips but also major outdoor events and competitions.

8. Synthesis of Findings and Recommendations

Chelan and Douglas counties have a special natural endowment of snowy mountains, forests, rivers, lakes and sunshine that have seen relatively light development and use when considering the size and growth of nearby economies. The demand is certainly there for access to outdoor recreation opportunities as the resources and their accessibility continues to improve. A strategic approach to addressing key scarcities can have the import benefits of:

- **Attracting out-of-region visitors** – visits and spending by non-locals have the most direct economic impact and full economic multiplier ripple effects across industries in the region.
- **Attracting lifestyle industries and professionals** – businesses and professionals that can choose to locate in areas based on quality of life amenities can lead to high-wage career opportunities and increase demand and output across all industries.
- **Improving quality of life for residents** – current and potential residents will resist the gravitational pull of urban economies when quality of life, particularly via opportunities and access to the region's natural amenities, overrides. This can be particularly important for young families and retirees.

Strategically developing, maintaining, and ensuring access and information for the highest demand (most participant and most participant-day) activities as well as those that involve the highest per-trip and annual expenditures should have the highest return on investment. This can also mean promoting development of other important goods and services as part of the lifestyle or trip. Schools, cultural opportunities, food, drink and accommodation are all important for this equation. Fortunately, investments across the suite are underway regionally. Data suggest they are all important for the overall regional economic development objectives.

8.1. Returns on Investments

Detailed information throughout this study provides information regarding activities experiencing high and growing demand, with a scarcity of overall opportunity. Strategic investments that target increasing the quality, quantity, and accessibility of high-demand experiences will provide the greatest return on investment. Much of the return will be via

Key Numbers for Return on Investment

- **1.59 local economic multiplier on recreation spending**
- **Non-local average overnight trip expenditures per party:**
    - **Downhill skiing/snowboarding - $1037**
    - **Fishing - $615**
    - **Hiking/Biking - $360**
    - **OHV - $268**
- **Highest demand activities:**
    - **Trail-based (including winter/snow)**
    - **Fishing**
    - **Non-motorized boating**
    - **Downhill skiing/snowboarding**

complex pathways for current and local residents and their overall contributions to the region's community and economy. But certain key numbers highlight the kinds of economic returns to be expected from investments that increase overall outdoor recreation participation and spending locally.

8.2. Areas of Opportunity

Infrastructure and Accessibility

Previous surveys, including one conducted by Adventure Wenatchee, have confirmed the patterns contained within this one – visitors enjoy the comprehensiveness of their visit to the Wenatchee Valley for a visit (meaning that it leaves the, with a "well-rounded, complete experience"). However, parking, accommodation quantity and quality, and restaurants received comparatively low marks. A plurality of attendees to art and culture and recreation events alike relied on the Internet to learn about the event as well as to book their housing; more than one in five tourists stayed in a vacation property during their visit.[57]

Without a suitable tourism infrastructure, events will lack the capacity to increase attendance and refine offerings. This infrastructure includes the roads, parking spaces, hotels, and restaurants that respondents to this survey as well as the Adventure Wenatchee report have highlighted as wanting.

Out-of-town visitors regularly move throughout the Valley, away from the physical destination of the event. [58] Connections between communities, then, represent a source of satisfaction for visitors. Roads and signage contribute to visitor's ease of way finding.

Nearly half of event attendees that stay the night use hotels.[59] However, many survey respondents reported a need for hotel improvement. Responses suggest that the community has yet to build accommodations suited to a broader tourism market.[60] Rental vacancy rates corroborate this finding. As this regional market grows, consumers will bring a broader and broader range of preferences.

When asked about ways to improve personal recreation experiences in Chelan-Douglas counties, resident survey respondents outlined two key priorities: more access and fewer users. In other words, demand for outdoor recreational opportunities continues to rise at a faster rate than the increase in supply.

Residents specifically outlined a demand for greater access to pre-existing trails as well as expanded access to areas currently without recreational facilities (Figure 41). A large share of respondents shared their concerns with overcrowded and/or unmaintained trails. Both groups also said trails had too many different types of users with different, often

[57] Adventure Wenatchee, "*Wenatchee Valley Visitor Habits, Impressions and Expectations in 2015*," Wenatchee Valley Chamber of Commerce, December 31, 2015, available at: ftp://ftp.wenatcheewa.gov/City%20Administration/Chamber2015MarketResearchReport.pdf

[58] Ibid.

[59] Ibid.

[60] For example, a responder to the Adventure Wenatchee survey asked for the construction of a boutique hotel in Wenatchee.

times, competing needs. One respondent, for instance, asked for better signage about which trails were for which user type to reduce bottlenecks and potentially dangerous encounters between equestrians and runners, for example.

Demand for greater access and improved facilities pertained to land-, water-, and snow-based opportunities. When referring to land, respondents requested more parking, a more streamlined permitting system, and the continued expansion of total trail miles. Water users pointed to an undersupply of docks, swimming areas, and activities for beginners. Respondents that focused on snow-based activities suggested that better and more numerous Nordic facilities, cheaper lift tickets, and more transportation options would improve their experience.

Figure 41: Word cloud of resident responses to "What would improve your personal recreation experience?"

Source: ECONorthwest analysis of survey data.

Across all types of activities, residents demanded more signage and maps. The former, in the opinion of many, would reduce over- or misuse. One respondent noted that a lack of signs leads to visitors bringing dogs and other animals into areas set-aside only for humans. Respondents felt that more detailed and available maps could reduce misuse and direct people to the trail best suited for their intended type of recreation.

Visitors, when prompted to share any disruptions to their trip, also expressed a desire for less crowded and more single activity-focused trails. One respondent said that they would not return to the region because of rising hotel prices and clogged streets in each of the major communities in Chelan-Douglas counties. Another warned future visitors about trails shared with equestrians and mountain bikers because of the potential for a collision.

Although the expenditures by trail users on public lands are small, the high use of these facilities throughout the year make the facilities integral to the outdoor recreation economy. County and city officials could implement many of the demands of visitors and residents – such as more signs and maps with greater detail – relatively cheaply. The returns – through greater trail use and user satisfaction – have the potential to outweigh the costs. A similar cost-benefit analysis applies to reforming the permitting process. A universal permit that can be purchased throughout the community at the sites and services most visited by residents and visitors would please large groups of outdoor enthusiasts.

Connectivity

Comments from residents frequently mentioned a want for greater connectivity between communities. Those living in one and working in another advocated for more trails between cities to assist with commuting. Others simply wanted to be able to run, ride, or hike to other places in the region. A few respondents specifically called for expanding the loop trail system in Wenatchee to Leavenworth in an attempt to emulate other such regional trail networks like the one in Coeur d'Alene. Respondents felt the enhanced connectivity would be useful year-round as skiers, cyclists, and runners/walkers could also make use of the enlarged network.

Respondents praised previous expansions of the Apple Loop Trail to nearby parks and recreation areas. Many hope that a greater Loop Trail network would reduce congestion on the current pathways. With a similar goal in mind, a couple of residents sensed that widening the pathway itself would allow more users and greater safety. One respondent that simply painting a yellow line, like those on roads, would encourage better trail etiquette. Several visitors made clear they, too, would appreciate more considerate trail use.

Increasing supply amid increasing demand

Statewide reports on outdoor recreation, when supplemented with U.S. Census demographic predictions, evidence that demand for these sorts of opportunities will continue to increase in the coming decades.[61] Currently, visitors to Chelan-Douglas counties perceive the area as highly accessible, meaning that it is easy to get to. However, as the visitor comments suggest, residents and out-of-town guests alike seek more trails suited to their specific activity and connected to other recreational facilities throughout the region.

Other jurisdictions are exploring how best to deal with growing demand amid supply constraints. King County Parks, in light of overcrowded parking lots and trails, launched a survey late in 2016 to assess how hikers, bikers, and trail-users access nature. Their results will direct what to build and where.[62] This proactive approach means the County can more efficiently address increasing supply to meet demand.

Chelan-Douglas counties similarly could consider not only expanding total trail miles, but also where to build those trails and which users the new paths will accommodate. Take, for example, the construction of a regional pathway, as suggested by many survey respondents, that extends the current Apple Loop Trail. This expanded network could alleviate concerns about congestion and become a major selling point when trying to

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[61] "Latent demand measures among Washington residents indicate that a third of Washington residents would either like to participate in additional activities or would like to participate more in their current activities." – State of Washington, 2013 State Comprehensive Outdoor Recreation Plan

[62] Frana, *More trail, less traffic,* King County, November 10, 2016, available at: https://kingcountyparks.org/2016/11/10/more-trail-less-traffic-we-want-to-hear-from-you/

attract visitors to the area. Planners could specify certain parts of the loop for particular users – different areas for different users, even users with different levels of experience.

Family Activities

Washingtonians value time with friends and family, especially while recreating. According to survey results from Washington in 2010, 84 percent of respondents indicated that the opportunity to spend time with family and friends played a role in spurring them outside.[63] The survey conducted of Chelan-Douglas counties demonstrated a similar level of desire to be with loved ones while outdoors. 41 percent of visitors listed family activities as very important or essential to their decision to visit the region (see figure 21). An even higher percentage – 48 – selected time with friends and family as one of their top three reasons for participating in outdoor recreation (see figure 17). Moreover, over six in ten respondents viewed Chelan-Douglas counties' provision of family activities favorably (see figure 22). Cumulatively, these results testify to the counties' strength as family destination.

A greater supply of family-friendly accommodations, trails, and restaurants could drive even higher number of families to the area. These adjustments must be weighed against the need to still attract those looking for challenging trails and paths. The counties could decide on some level of visitor specialization by each community. For instance, Wenatchee could serve as the region's central point for families; and, Leavenworth may benefit from tailoring its offerings to couples and those in search of more extreme experiences. The entire region would benefit from attracting a broader range of visitors.

Other Activities

Visitors, the majority of whom come from Washington, report rock climbing in the region at nearly twice the statewide average. According to the state's SCORP, one in ten residents rock climb. Almost two in ten visitors to Chelan and Douglas County reported rock climbing. The region could benefit

Hiking participation among visitors to the region towers in comparison to resident rates. The Washington State Trails Plan places resident trail hiking rates at 51 percent. 77 percent of visiting survey respondents indicate that they hiked or plan to hike during their stay.

Nearly five times more visitors to the two-county region than Washington residents, proportionally, snowshoe. About 33 percent of visitors partake in the activity whereas only seven percent of statewide residents report doing so. Lake Wenatchee State Park provides snowshoe participants and cross country skiers with numerous trails to explore in the winter.64

Waterskiing rates also spike in the region. Seven percent of residents waterski and 20 percent of visitors participate. It is likely a majority of this sort of recreation occurs in a few locations. Lake Chelan, at 50.5 miles long, affords residents and visitors alike with the most opportunities to engage in water recreation in the region.[65]

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[63] Tania Briceno and Greg Schundler.

64 Washington State Parks, "*Lake Wenatchee*," Washington State, NA, available at: http://parks.state.wa.us/457/Leavenworth-Chelan

[65] "*Boating and Water*," Lake Chelan Chamber of Commerce, NA, available at: http://www.lakechelan.com/what-to-do/activities/boating-water/

These four activities could form the core of a larger effort to market the region to very specific groups of outdoor enthusiasts. The area could tout its downhill skiing and snowboarding as well as snow shoeing opportunities in the winter, then highlight hiking, rock climbing, and waterskiing in the summer. High participation rates among visitors show that the area provides for quality experiences in each of the sports. Regional officials could even develop winter/summer programs centered on these activities that would lure visitors to the area at different times of the year. Related efforts could include creating suggested routes and hot spots for each activity that spurred visitors to move throughout the region's main communities.

8.3. Key Findings and Management Implications

Outdoor recreation is clearly a strength with the underlying quality of resource and existing business and service base to achieve world-class status. In general residents and visitors alike are active and satisfied with their opportunities. So key investments can focus on improving the underlying and existing amenities. These improvements tend to require funding. In the current political and economic climate at the state and national level, relying on outside funding sources is likely an unreliable proposition. While every opportunity to access grants and agency-funding for recreation should be taken, local leadership will be necessary to fully connect the residents and visitors to the region's natural resources.

A key challenge is developing systems where those who benefit are also those who contribute to funding needs. Residents tend to get more total use of natural resources, but they also help fund roads, emergency services, and other needs for outdoor recreation visitors. Finding ways to attract visitors while being sure they provide fair contributions can be a challenge. Communities like Bend, Oregon that have had success developing trails and recreation opportunities on the national forest are now facing challenges to manage the burden caused by high visitor numbers. Such communities are trying to find ways to make sure visitors pay a fair share. This might not be an important issue for Chelan and Douglas County just yet, but it should be considered when designing any funding mechanisms.

Some of the areas for investment that clearly rise to the top in terms of potential value and economic contribution based on analyses and sources addressed in this study are:

Trails serve a broad spectrum of the community and provide high value – The need to maintain, integrate, and develop improved access for trails is a frequent topic for the region. And while satisfaction and participation levels are high, growing population and visitation, as well as efforts to expand overall community participation means that more investment in trails, and coordination is necessary. This includes drawing in more of the Hispanic population. Efforts all over the country are trying to develop more connected trail systems that reach people close to home for frequent and low-cost accessibility. This region has every reason to pursue and invest in these efforts as well. With the availability of public lands and the existing trail system, the incremental costs of achieving a world-class trail system should be much lower than most regions.

Close to home outdoor recreation opportunities have high potential return – Residents and visitors alike use community centers throughout the region. Residents, particularly those with families and professional careers, have limited time, and need quick, high quality access. Visitors want to stay in areas that have numerous amenities. Residents reported less satisfaction with local park opportunities than other characteristics of their communities and regional outdoor recreation opportunities as a whole.

Improvement of opportunities near communities promotes public health for residents, access for disadvantaged populations, and exposure to increase overall participation rates. Community-level investments, like the bicycle pump track and ski hill in Leavenworth, can be social focal points as well, building community cohesion that can have wide ranging benefits. These local needs also make sense from a local funding perspective, as there is likely more ability to control and design for maximizing local benefit, as opposed to bending to state or national resource objectives. These local investments will increasingly need to communicate to all members of the community, with information in Spanish and resources accommodating the interests of the Hispanic community.

Communities can provide services that are complementary to the natural resources – While satisfaction with services and accommodations are generally high, the quality and accessibility of services varies throughout the region. Walkable areas with several accessible options benefit residents but also motivate longer visits by tourists. Leavenworth, Wenatchee, and Chelan all have community central areas with these kinds of concentrated opportunities. Connecting trails and water access to where people stay, eat and shop can increase the pleasure of experiences and also motivate more local spending.

Finding ways to increase connectivity between these centers and more remote recreation opportunities in the mountains like Mission Ridge Ski and Board Resort and alpine trails and fishing opportunities will be important to long-term regional growth. Shuttles, public transit, bike routes, ride-sharing, and other means to lower transportation costs and information costs for those unfamiliar with the resources will increase overall participation, value, and economic impact. This will also be important for diversification of uses of resources that provide snow-based recreation during the winter, but can provide different opportunities during other seasons.

Water resources are an important comparative advantage – With warming trends, there is likely to be both increasing demand for water recreation, and decreasing supply with smaller snowpacks. The major lakes and rivers in the region are generally resilient to seasonal droughts in terms of volume. The Columbia River, Lake Chelan, and even the Wenatchee River are all major waterways with high quality water and fisheries. Furthermore, efforts from Icicle Creek down to the Columbia are making investments to improve late season flows and fish populations. Advertising and supporting access to these resources will continue to be important. But major local investments are less necessary than other concerns.

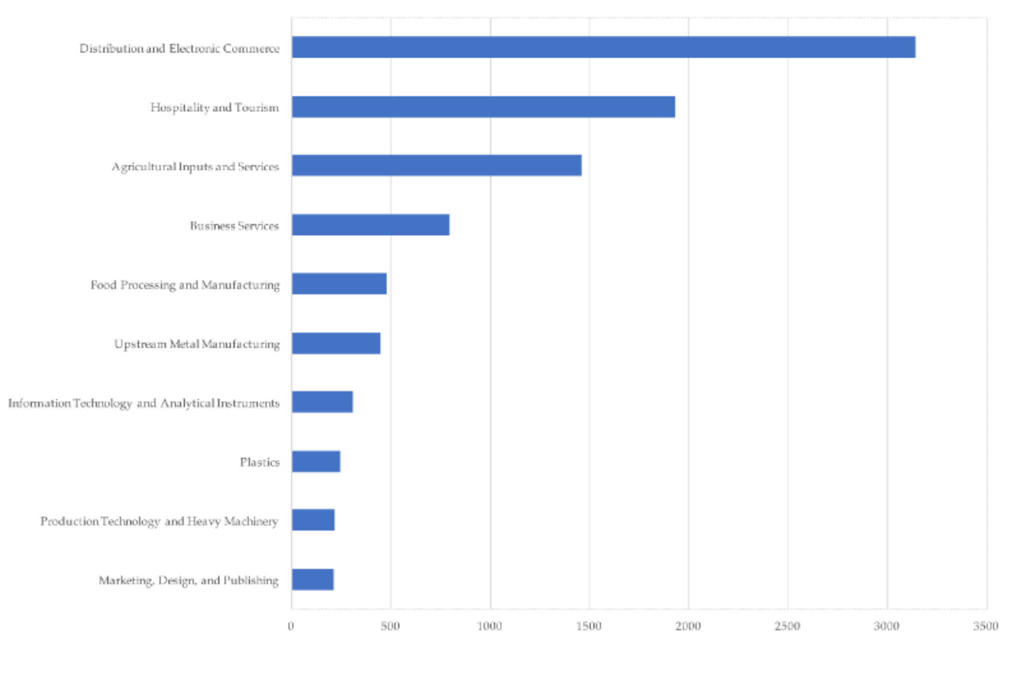
9. APPENDIX

This appendix contains additional data, including more detailed survey results, that support the overall report analysis and findings in more detail.

9.1. Regional Cluster Analysis

Figure 42 illustrates the counts of employment in the top ten traded sector clusters in 2014.

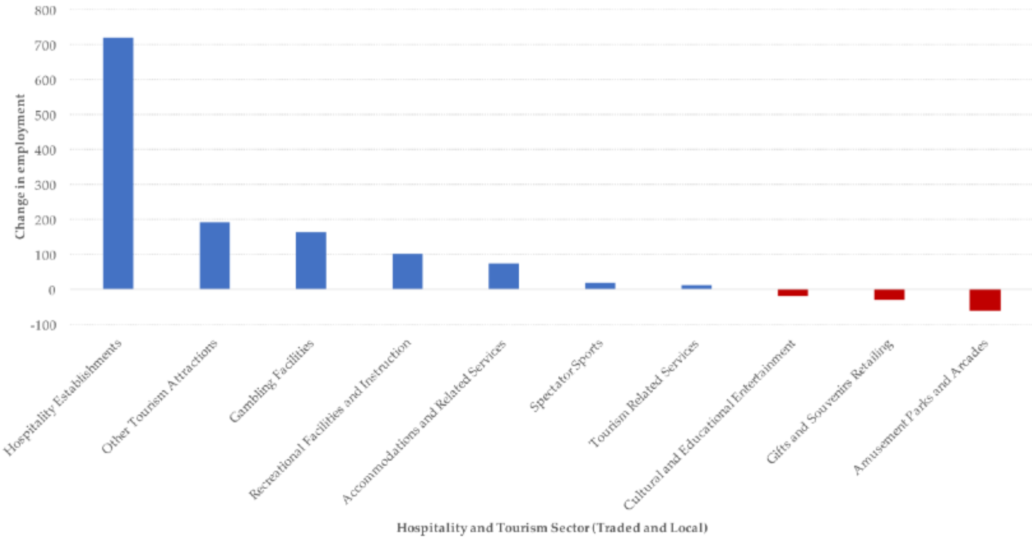
Figure 42: Employment by Top Ten Traded Clusters in the Wenatchee Metropolitan Area, 2014.



Source: US Cluster Mapping, Wenatchee Metropolitan Area

As a total cluster (including traded and local jobs), Hospitality and Tourism saw a growth of 1,173 jobs on the Wenatchee Metropolitan area between 1998 and 2014, deriving mostly from traded sector activity. Local sector employment saw the largest growth at 790 jobs, coming mostly from Hospitality Establishments (720 jobs). Gifts and Souvenirs declined by 31 jobs over the same period and is expected to continue declining in the short run.

Figure 43: Change in Employment for Hospitality and Tourism Subsectors in the Wenatchee Metropolitan Area, 1998 to 2014.



Source: US Cluster Mapping, Wenatchee Metropolitan Area

As a traded sector, the Wenatchee Metro area also saw growth of about 383 jobs between 1998 and 2014. Other Tourism Attractions (which includes recreation industries and recreational camps) saw the largest traded-sector growth in employment over the period, with an increase in 267 jobs. Cultural/Educational Entertainment and Amusement Parks saw a combined decline of 81 jobs over the same period.[66]

9.2. Changing Climate

Climate change will affect the quality and scarcity of outdoor recreation opportunities, particularly for forests in the region.

Current and expected trends for the state's climate will likely have effects on the agricultural sector and the outdoor recreation economy as well. Forecasted milder winters and hotter summers will likely decrease snowpacks and streamflows.

According to the Department of Ecology within the State of Washington:[67]

- Average annual temperatures in the Pacific Northwest could increase by 2 degrees by the end of the 2020s
- Temperatures may rise over 3 degrees higher, when compared to 1970-1999, by the end of the 2040s
- Hotter summers will lower water supplies critical to the state's agricultural production and alter the migratory patterns and wellbeing of animals such as salmon

[66] US Cluster Mapping, "*Wenatchee Cluster*," Harvard Business School and US Economic Department Administration, NA, available at: http://www.clustermapping.us/region-cluster/hospitality_and_tourism/msa/wenatchee_wa#related-clusters

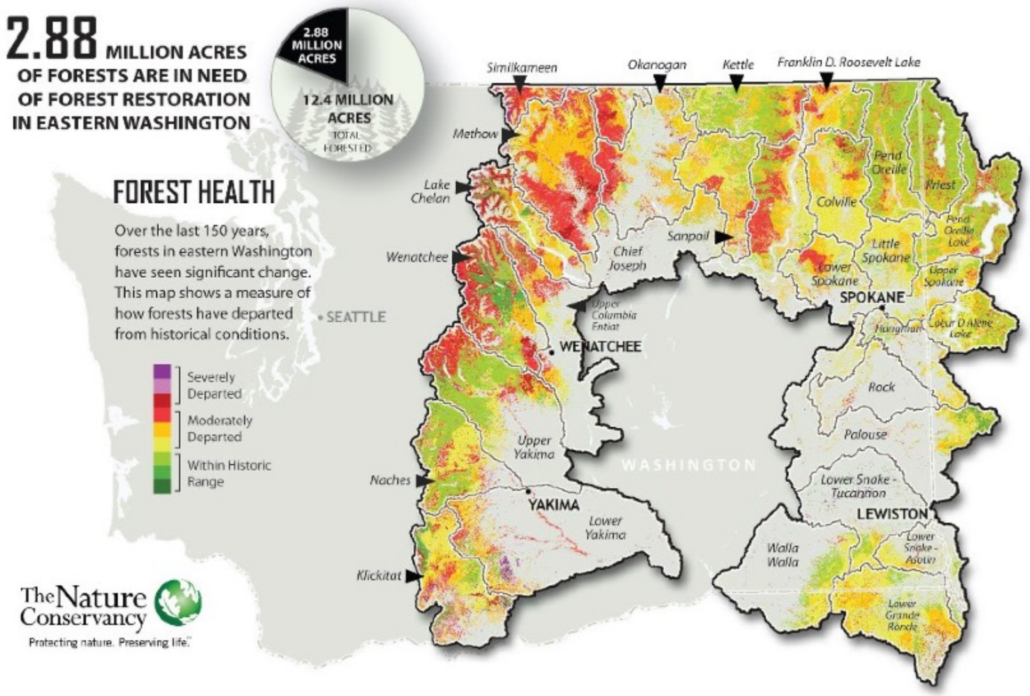
[67] Department of Ecology, "*Warmer Temperatures*," State of Washington, NA, available at: http://www.ecy.wa.gov/climatechange/warming_more.htm

- More extreme temperature days, both hot and cold, may offset any advantages derived from a longer potential growing season
- Dust levels as well as air pollution are likely to increase as well amid drier conditions, both of which could be particularly troubling for people with allergies or respiratory illnesses
- Forests, imperative to the environment and outdoor recreation, will face threats ranging from more invasive pest populations and to stronger and more frequent wildfires
- Less snow will affect the over 40% of winter recreation in the state that occurs at low elevation recreation areas

As the health of Washington's forests declines, analysts speculate that fires such as the Sleepy Hollow Fire that destroyed dozens of homes and thousands of acres in Chelan County could become more regular.[68] A large portion of survey respondents that opted to write-in a comment on their visit lamented the impact of forest fires on their plans and/or the conditions of their outdoor recreation destination. The Nature Conservancy has mapped Washington's forests in terms of their risk of fire in terms of unsafe fuel conditions, and forests in Chelan County are some of the most at-risk in the state (Figure 44).

[68] "*Sleepy Hollow Fire Updates*," King5, 2015, available at: http://www.king5.com/news/local/wildfires/wenatchee-wildfire-10-percent-contained/140301950

Figure 44: Changes in the health of Washington's forests

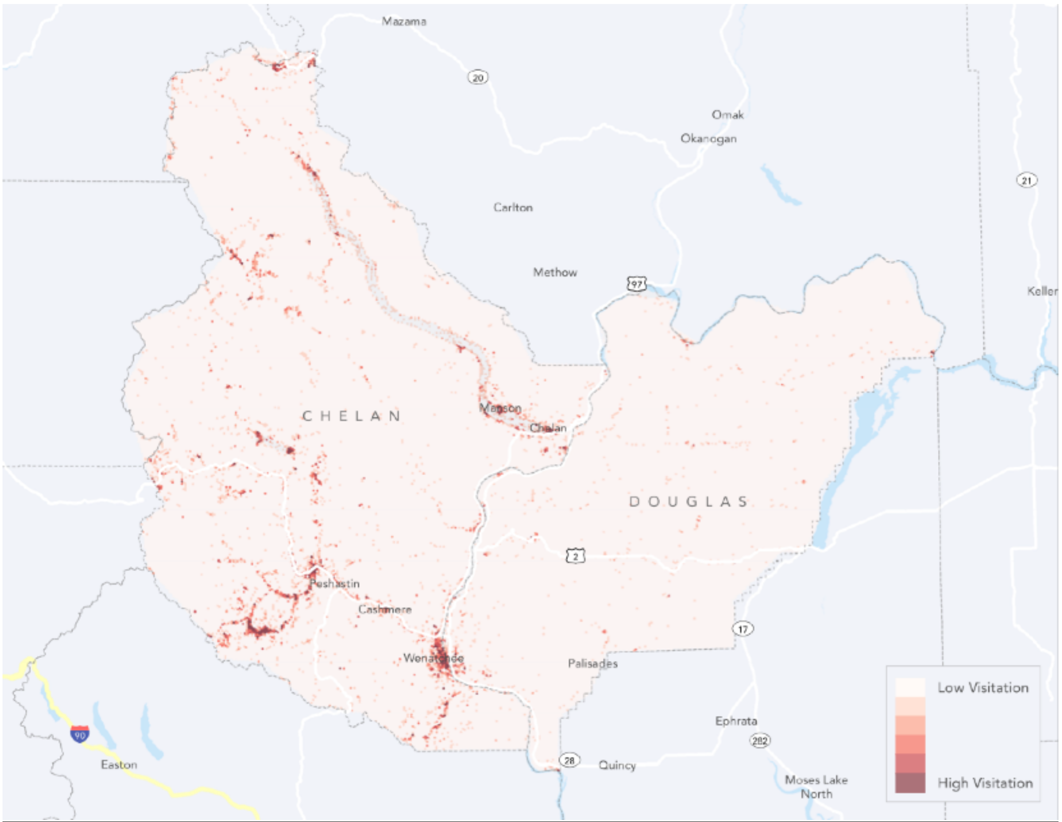


Source: The Nature Conservancy

9.3. Flickr Photo Locations

Flickr the photo-sharing website has made geolocations for their photos available in aggregate. Figure 45 shows a map with red dots and their darkness representing the location and relative frequency of locations of photos uploaded to Flickr that were taken between 2005 and 2012. There are limitations in the interpretation of these data, and how well they represent overall regional visitation and activity patterns. But it does shed light on where people go and choose to take pictures in the region, both in developed and undeveloped areas.

Figure 45. Geotagged Flickr photos (2005 -2012)



Source: Flickr via the InVEST Recreation Package

9.4. Downhill Skiing and Snowboarding

Figure 46. Separation of Region by Nearest Ski Area.

Figure 46 show the region divided by the nearest downhill skiing facility.

9.5. Additional Recreation Expenditure Data

Table 31 provides high and low values for typical trip expenditures involving outdoor recreation on national forests, by trip type.

Table 31. Per Trip Expenditures, High and Low Values.

	Non-Local Day Trips			Non-Local Overnight Trips			Local Day Trips			Local Overnight Trips		
	Low	Avg	High	Low	Avg	High	Low	Avg	High	Low	Avg	High
Downhill Skiing	$144	$148	$206	$534	$910	$1,018	$78	$73	$79	$409	$440	$557
Cross-Country Skiing	$99	$111	$154	$359	$612	$1,084	$30	$31	$35	$276	$295	$375
Snowmobile	$132	$147	$205	$430	$732	$1,298	$82	$84	$84	$329	$355	$449
Hunting	$90	$100	$139	$288	$420	$743	$47	$58	$58	$262	$283	$358
Fishing	$59	$63	$88	$244	$377	$625	$41	$43	$43	$176	$184	$234
Nature-Related	$64	$74	$103	$307	$539	$942	$41	$42	$48	$207	$222	$282
OHV-Use	$112	$124	$172	$250	$316	$560	$72	$66	$66	$143	$153	$194
Driving	$48	$62	$86	$385	$657	$1,164	$32	$36	$34	$295	$317	$402
Developed Camping				$209	$235	$342				$203	$195	$247
Primitive Camping/ Backpacking				$123	$153	$223				$138	$137	$174
Hiking/ Biking	$60	$57	$73	$260	$539	$872	$23	$24	$21	$144	$171	$217
Other Activities	$68	$82	$114	$246	$376	$649	$41	$46	$36	$194	$213	$270
Total (*all activities*)	$66	$74	$103	$244	$417	$739	$39	$39	$33	$188	$202	$255

Source: White, Goodding and Stynes. 2013. Estimation of National Forest Visitor Spending Averages From National Visitor Use Monitoring: Round 2. U.S. Forest Service. Pacific Northwest Research Station.

9.6. Quality of Life

Quality of life in the region is high, but has opportunities for improvement.

Quality of life (QOL) studies assist in revealing why people move to or opt to stay in a community. These assessments analyze a broad range of factors that could impact how someone feels about their community and its attributes. They also outline what draws people, especially those with bachelor's degrees or higher, to their place of residence. Additionally, this work helps planners and administrations determine the value of services that had previously gone unmeasured or unreported. QOL indexes give a more comprehensive sense of someone's welfare than looking only at their health metrics or earnings reports.

Quality of life accounts for the multitude of variables that can impact one's wellbeing in the broadest sense. Measurements that are objective, such as per capita gross domestic product, and subjective, like answers to survey questions about your level of happiness, influence QOL assessments. Measured factors vary in scale and domain. For instance, national economic measures as well as one's perception of their mental health can alter someone's QOL. Health considerations, social needs, economic security, and cultural comfort represent just a few of the domains compiled within QOL tools. There is no agreed upon QOL definition among academics. Instead, varying fields use varying metrics.[69, 70]

Table 32 contains QOL indexes and averages for Wenatchee, Leavenworth, Chelan, and Cashmere. Leavenworth tops the communities listed in terms of highest average index score. With the exception of Cashmere, each community tops the U.S. average in amusement and restaurants.

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69 *The Economist*'s QOL Measurement: This metric considers survey responses of residents in addition to the sum of material wellbeing (GDP per person), health (life expectancy), political stability and security (*The Economist's* own metric), family life (divorce rates), community life (union and church membership rates), climate and geography (warm or cold climate), job security (unemployment rate), political freedom (Freedom House analysis), and gender quality (ratio of average and female earnings).

70 *Costanza et al.:* "QOL as a general term is meant to represent either how well human needs are met or the extent to which individuals or groups perceive satisfaction or dissatisfaction in various life domains."

Table 32: Quality of life (QOL) Indexes for Select Communities, 2012.

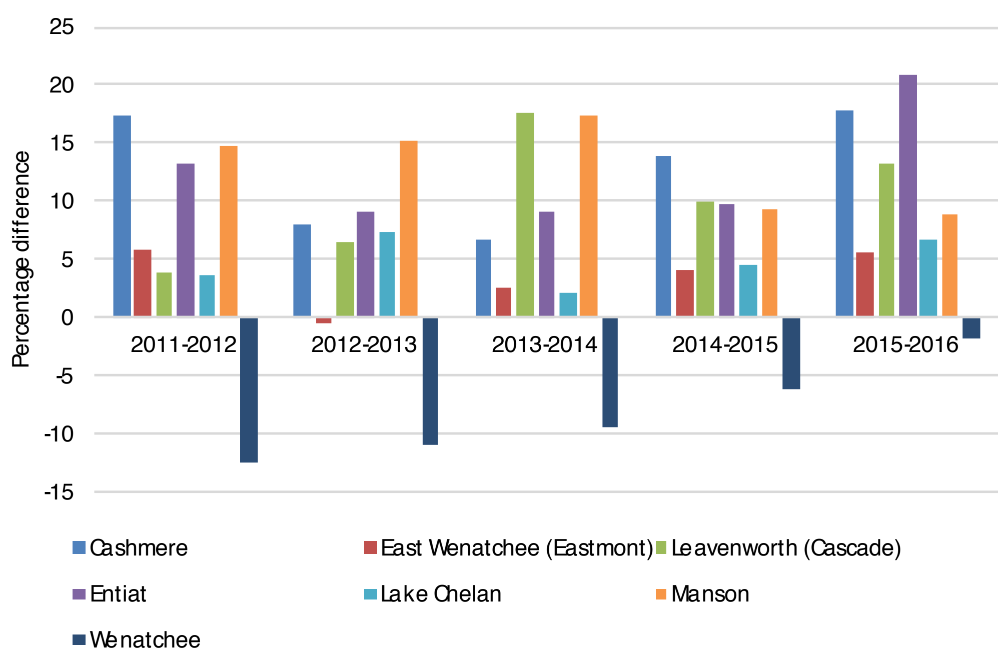
	Wenatchee	Leavenworth	Chelan	Cashmere	United States
Amusement Index	108	119	119	94	100
Culture Index	100	145	98	98	100
Earthquake Index	96	114	91	107	100
Education Index	97	126	99	97	100
Medical Index	103	130	92	91	100
Index (All Causes)	119	152	165	123	100
Religion Index	126	150	152	101	100
Restaurant Index	122	154	101	75	100
Average	109	136	115	98	100

Source: CLRChoice.

9.7. Education

Schools in the region generally see better performance than the state average.

Figure 47: A comparison of adjusted 4-year cohort high school graduation rates between Chelan and Douglas County communities and the state average, 2011-2016.



Source: Office of Superintendent of Public Instruction, State of Washington

The quality of schools in an area as well as the average education level in a community influence the livability and desirability of a community. It follows that quality of life indexes, such as the one covered in Table 1, often include educational components in assessing the overall quality of life of a community. Wenatchee Valley communities vary in their level of educational attainment.

Figure 47 shows that at the high school level the majority of the districts in the region have bested the statewide rate. However, the Wenatchee School District has lagged behind, although making strides year over year both relative to the rest of the region and state in terms of their graduation rate.

Families exploring a move to the region may pay attention to the quality of the elementary schools. Table 2 shows how local third and fifth grade students perform on Smart Balance English and Math assessments compared to their statewide counterparts.

Table 33: A comparison of the percent of third and fifth grade students meeting the Smarter Balance Assessment standard between regional districts and the statewide average for the 2015-2016 school year.

Third Grade Assessment Comparisons 2015-2016								
	Cashmere	East Wenatchee (Eastmont)	Leavenworth (Cascade)	Entiat	Lake Chelan	Manson	Wenatchee	Washington State Average
English	60.9	56.0	56.0	50.0	33.9	23.9	37.3	54.3
Math	59.3	57.3	58.8	58.6	40.7	19.5	40.6	58.9
Fifth Grade Assessment Comparisons 2015-2016								
	Cashmere	East Wenatchee (Eastmont)	Leavenworth (Cascade)	Entiat	Lake Chelan	Manson	Wenatchee	Washington State Average
English	65.0	58.4	63.6	46.4	55.5	31.9	49.3	61.0
Math	46.7	41.1	47.7	32.1	33.3	12.7	28.4	49.2

Source: Office of Superintendent of Public Instruction, State of Washington

As shown in Table 2, many of the local districts recorded scores below the state average, these scores are shown in red. Only third grade students in the Cashmere district beat the average on both exams. Districts with results higher than the statewide average are filled in with green.

General population education levels, like elementary school scores, suggest that the counties and their communities have room to improve. The statewide average of high school graduates and those that have earned a Bachelor's degree or higher outpaces regional and local attainment (see Table 3). The Douglas County high school graduate percentage falls nearly ten percent short of the statewide average. Wenatchee and East Wenatchee are nine percent short of the average. Chelan County and Wenatchee have higher rates of Bachelor's degree attainment than Douglas County and East Wenatchee, but all rates are lower than the state average.

Table 34: General Population Educational Achievement at the Local, Regional, and Statewide Level.

	High school graduate or higher, percent of persons age 25 years+, 2011-2015	Bachelor's degree or higher, percent of persons age 25 years+, 2011-2015
Washington	90.4%	32.9%
Douglas County	80.8%	17.4%
Chelan County	83.5%	24.5%
East Wenatchee	81.4%	18.5%
Wenatchee	81.4%	23.9%

Source: U.S. Census Bureau, QuickFacts

9.8. Housing

Housing in the region is a challenge for existing and potential residents, with growing demand for seasonal and permanent housing.

Chelan and Douglas counties have housing markets that loosely follow, usually at a lower absolute level and slower pace, and, occasionally contrast statewide trends. University of Washington's Runstad Center for Real Estate Studies recorded a 13.2 increase in home prices across the state from the 3rd Quarter in 2015 to the 3rd Quarter in 2016 (Table 35). The two-county region lagged behind the state's pace: Chelan County prices increased by 1.6; Douglas by 4.7. Growth years in the previous year were higher and more in line with statewide trends.[71]

[71] Runstad Center for Real Estate Studies, University of Washington, Washington State Housing Market.

Table 35: Chelan and Douglas County Housing Market Indicators from 2012 to 2016.

(annual change %)	**Building Permits**	**Median Resale Price ($)**	**First-time HAI***
2016 Q3			
Chelan	62 (-19.4)	285,400 (1.6)	79.2 (6.8)
Douglas	22 (-168.2)	256,500 (4.5)	81.8 (2.4)
2015 Q3			
Chelan	74 (15.6)	280,900 (9.4)	73.8 (-3.9)
Douglas	59 (31.1)	245,000 (5.2)	79.8 (-1.6)
2014 Q3			
Chelan	64 (25.5)	256,700 (13.7)	76.8 (-5.8)
Douglas	45 (9.8)	233,000 (8.4)	81.1 (-2.9)
2013 Q3			
Chelan	51 (8.5)	225,800 (-2.8)	81.5 (-8.4)
Douglas	41 (46.4)	215,000 (1.0)	83.5 (-8.8)
2012 Q3			
Chelan	47	232,400	89
Douglas	28	212,900	91.6

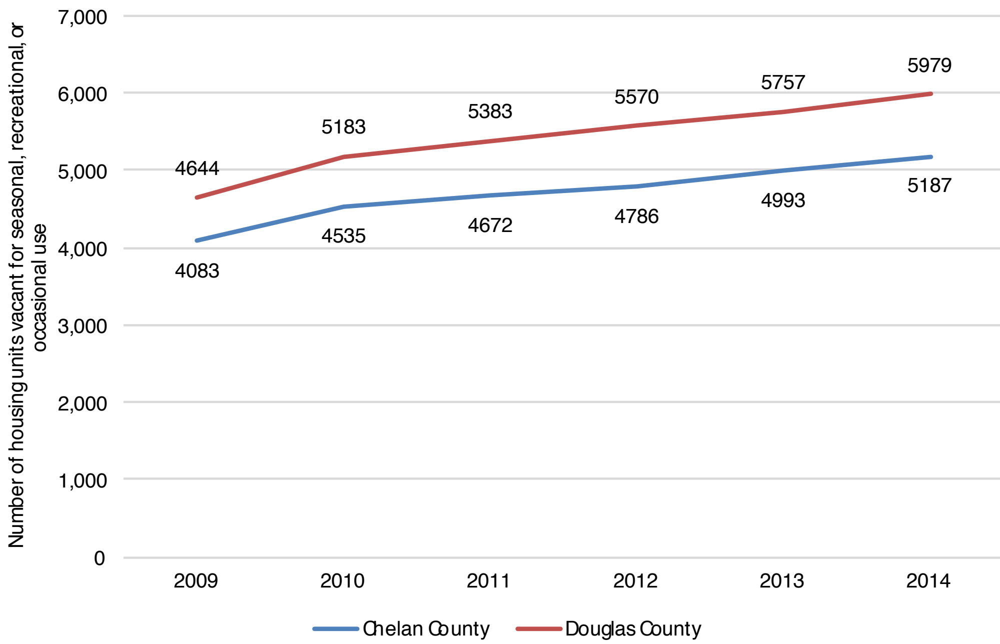
Source: Runstad Center for Real Estate Studies, University of Washington, Washington State Housing Market. *HAI stands for housing affordability index. The index assesses the ability of a first-time buyer to make payments on a median price resale home with a 20% down payment and 30-year amortizing mortgage. To account for the income of a first-time buyer, the index assumes a lower price home with a less expensive down payment.

Younger, first-time homeowners face lower costs when buying a home in the two-county region than the rest of the state, on average. Across the state, the first-time HAI in the 3rd Quarter of 2016 was 72.6, far lower than Chelan's 79.2 and Douglas' 81.8.[72]

The supply of seasonal home units, defined as those suited for use on weekends or occasional stays throughout the year, has increased in both counties over the surveyed five-year period (Figure 48). Chelan County experienced an average annual increase of 5.41 percent. Douglas County experienced annual average increases of 5.75 percent.

[72] Ibid.

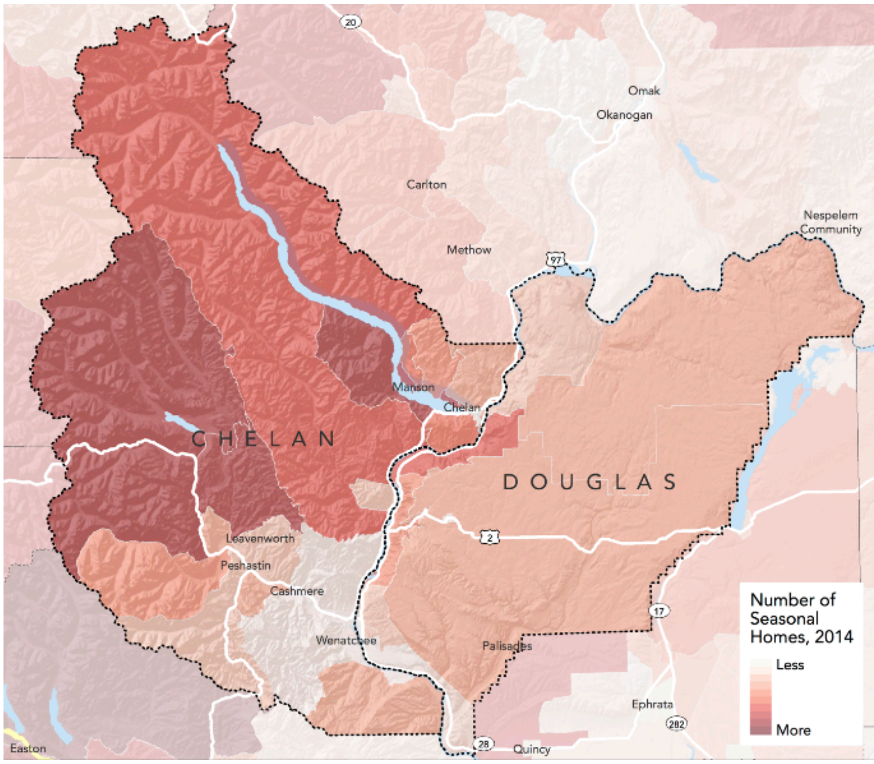
Figure 48: Seasonal home units in Chelan and Douglas counties from 2009 through 2014.



Source: American Community Survey 5-year estimates (2009-2014).

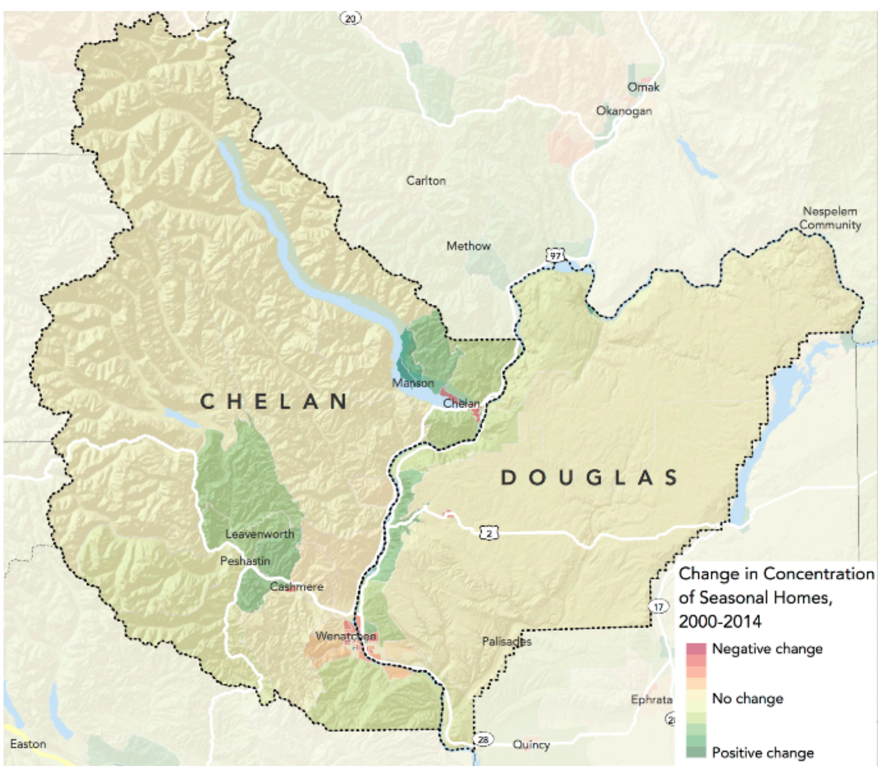
The absolute number of seasonal homes, as of 2014, similarly reveals that owners prefer more remote locations to urban settings. Figure 49 displays owners' desire to build in areas suited for outdoor recreation. The concentration of seasonal homes in the region, for the most part, has shifted over time from more populous areas to more remote communities and locations. Peshastin and Manson, for instance, have experienced a comparatively large increase in second home concentration over the last 14 years (Figure 50).

Figure 49: Seasonal Home Density in Chelan-Douglas Counties (2014).



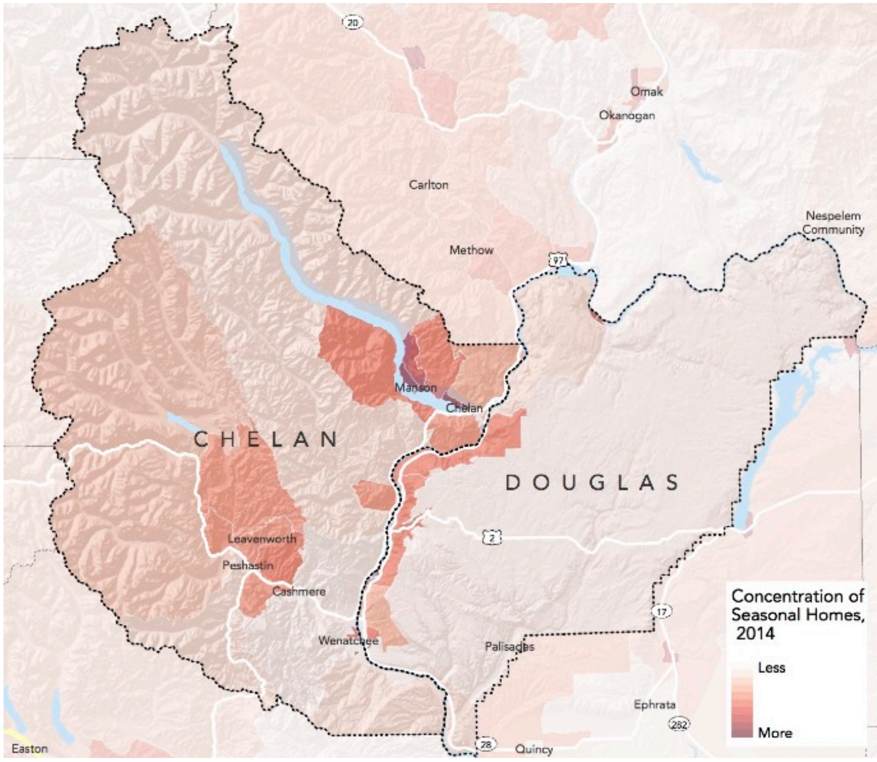
Source: Staff analysis of ACS 5-Year Estimates (2009-2014).

Figure 50: Change in the Concentration of Seasonal Homes in Chelan-Douglas Counties From 2000 to 2014.



Source: Staff analysis of ACS 5-Year Estimates (2009-2014).

Figure 51: Seasonal home density by Chelan-Douglas counties community in 2014.



Source: Staff analysis of ACS 5-Year Estimates (2009-2014).

Larger communities still offer owners with a higher density of seasonal homes, overall. More specifically, Chelan, Wenatchee, and Manson possessed the highest concentration of seasonal homes in 2014 (Figure 51).

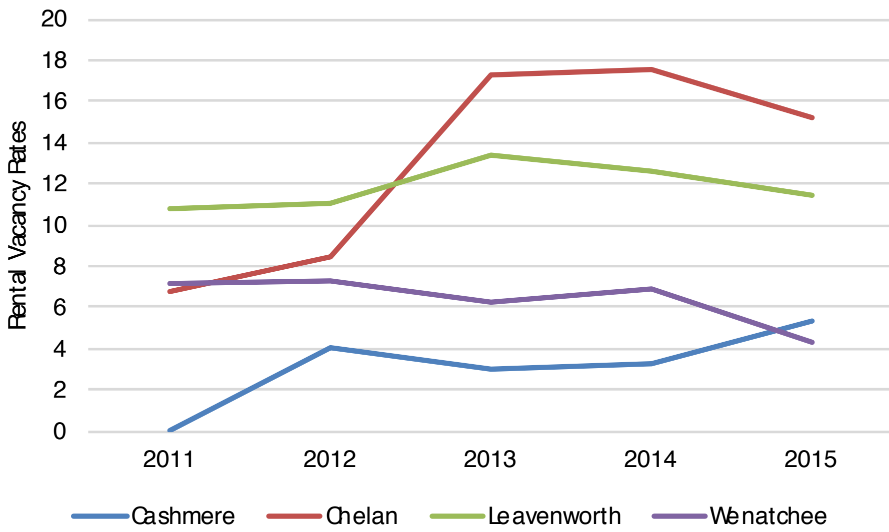
The seasonal volatility of tourism and employment is correlated with the housing preferences of the area. When compared to the statewide averages, the two-county region tops Washington-wide statistics on the percentage of part-time work and seasonal homes (Table 36). In the case of the latter, the area is home to nearly four times the statewide average level of seasonal homes.

Table 36: Seasonal Work and Housing, 2014.

	Two County Region	Washington State
Part-Time Work (less thank 50 weeks per year)	24.50%	21.30%
Seasonal Homes	11.50%	3.20%

Source: U.S. Census Bureau, County Business Patterns; American Community Survey. 2014.

Figure 52: Rental vacancy rates in select communities from 2011 to 2015.



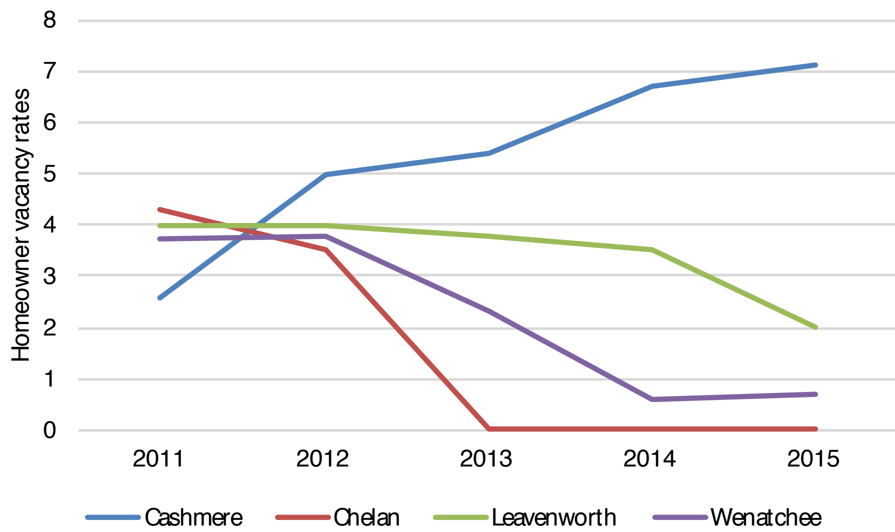
Source: American Community Survey.

Rental vacancy rates in the four largest communities in the region from 2011 to 2015 vary from town to town (Figure 52). The largest communities – Leavenworth and Wenatchee – have seen relatively minimal changes over the timeframe - the rate declined by 2.9 percent in Wenatchee and climbed by 0.7 percent in Leavenworth. Comparatively, rates in Chelan and Cashmere have jumped by higher magnitudes, recording increases of 8.4 and 5.3 percent, respectively.

Homeowner vacancy rates, excluding Cashmere, declined in the five-year span. Chelan had a zero vacancy level in 2013, 2014, and 2015 (Figure 53). Wenatchee and Leavenworth dipped in vacancy over the past five years. Some level of vacancy is important to allow for a healthy housing market. In a zero vacancy rate world, to find a new home you have to exchange with someone else looking for a different house. Such an exchange is unlikely. Rentals and seasonal homes tend to have higher average vacancy rates than longer term housing arrangements.[73] This pattern holds true in the Wenatchee Valley.

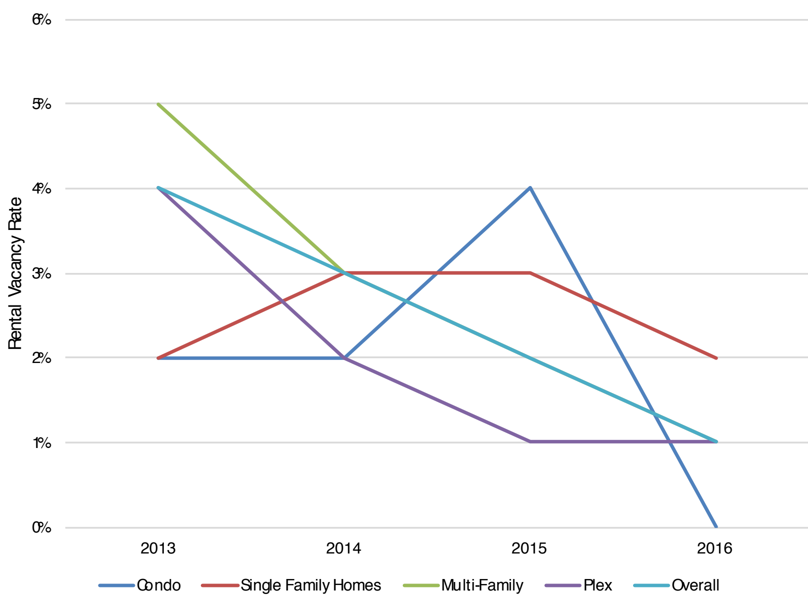
[73] Mark Thoma, "*The Natural Vacancy Rate for Housing*," Economist's View, November 29, 2005, available at: http://economistsview.typepad.com/economistsview/2005/11/the_natural_vac.html

Figure 53: Homeowner vacancy rates in select communities from 2011 to 2015.



Source: American Community Survey.

Figure 54: Wenatchee-area rental housing vacancy rates, 2013-2016.



Source: Pacific Appraisal Associates

A look into the rental housing market in the Wenatchee area shows that across all types of accommodation the vacancy rate declined or stayed the same from 2013 to 2016 (Figure 54). Overall vacancy decreased from 2 percent to 1 percent over the year. Every form of housing declined in vacancy rate over the four-year period, with the exception of single family homes, which recorded a rate of 2 percent in 2013 and 2016.

Sharing Economy and Accommodations

The trend in informal short-term rental housing has grown with the development of systems including Airbnb.

Table 37: Visitor use of vacation rentals, by community

Destination	Percentage Vacation Rental
Other - write in *	33%
Chelan	14%
Leavenworth	13%
East Wenatchee	11%
Wenatchee	5%
Entiat	0%
Region average	11%

Source: ECONorthwest analysis of survey data. *These communities include Mission Ridge and Peshastin.

Vacation rental platforms, such as Airbnb and VRBO, account for around 11 percent of all stays in the region according to the survey results that will be discussed in more detail in Section 4 (Table 37). For comparison, around 20 percent of visitors to Bend use a vacation rental.[74, 75] Across the nation, tourism industry analysts estimate that from 2010 to 2015 the percentage of tourists that use vacation rentals doubled from 10 percent to 20 percent.[76] This suggests that the region is likely to experience continued, and increasing demand for vacation rentals.

Studies of noted tourist markets, like Los Angeles, suggest that short-term vacation rentals act as complements, not substitutes, to other accommodation options such as hotels.[77] Analysts say that hotels and vacation rentals currently cater to different parts of the market.[78] However, as tourists increasingly weigh staying in vacation rentals, some analysts forecast that hotel revenues will diminish in the future as a direct result of increased competition.[79]

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[74] RRC Associates, "*Bend Area Visitor Survey Summer 2016 Final Results,*" Visit Bend, October 2016, available at: http://www.visitbend.com/Bend-Summer-2016-Report-FINAL.pdf

[75] Another point of comparison is found in San Diego. "An estimated 6 percent of overnight visitors [to San Diego] from Arizona stay in vacation rentals instead of hotels or with family or friends." Dawn Gilberston, "*San Diego considers limits on vacation-home rentals*," The Arizona Republic, June 5, 2015, available at: http://www.azcentral.com/story/travel/2015/06/05/san-diego-considers-limits-vacation-home-rentals/28548917/

[76] Another point of comparison is found in San Diego. "An estimated 6 percent of overnight visitors [to San Diego] from Arizona stay in vacation rentals instead of hotels or with family or friends." Dawn Gilberston, "*San Diego considers limits on vacation-home rentals*," The Arizona Republic, June 5, 2015, available at: http://www.azcentral.com/story/travel/2015/06/05/san-diego-considers-limits-vacation-home-rentals/28548917/

[77] "*The Local Economic Impact of Short Term Rentals in Los Angeles*," TXP, inc., Fall 2014, available at: http://stradvocacy.org/wp-content/uploads/2016/01/LosAngeles-STR-Report-Final-v2-100214.pdf

[78] "*Airbnb isn't hurting hotels*," Business Insider, October 2016, available at: http://www.businessinsider.com/airbnb-isnt-hurting-hotels-2016-10

[79] Hannah Roberts, "*Analysts say Airbnb is hurting hotels more than predicted*," Business Insider, November 16, 2016, available at: http://www.businessinsider.com/airbnb-demand-from-hotels-more-than-expected-2016-11

From top right, counter clockwise: Airbnb availability in Wenatchee/East Wenatchee, Leavenworth, and Lake Chelan for two people for a week in June. Source: Airbnb.

The following figures convey the Airbnb listings for a week-long stay in June in the two-county region for two guests. Whereas a night in Wenatchee and East Wenatchee came to an average of $126, the average nightly price in Leavenworth totaled to $201. Prices were higher in Chelan. A night there averaged $249.

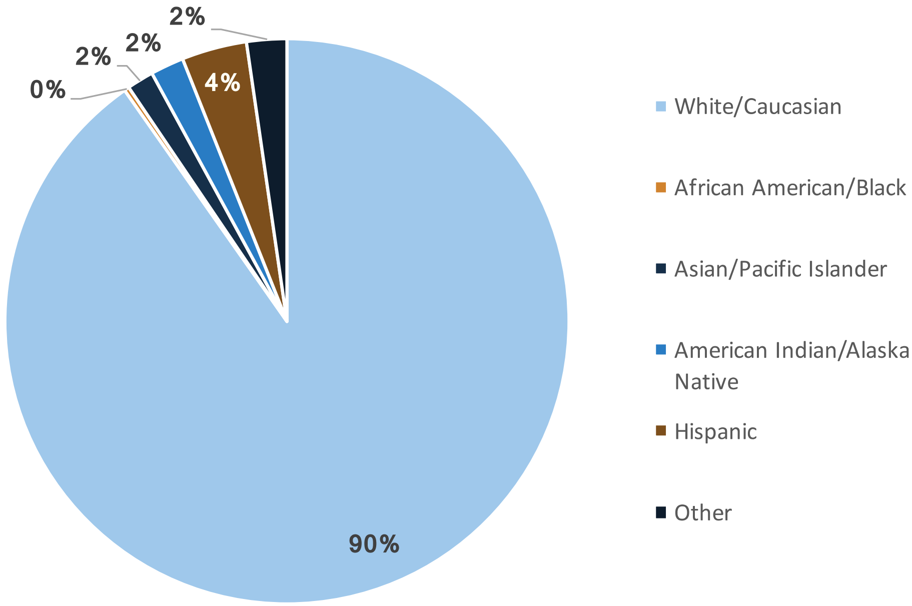
Hotel prices for the region compete with the lowest-priced offerings on Airbnb. However, the costliest hotel rooms are far cheaper than the most expensive Airbnb listings.[80]

9.9. Resident and Visitor Survey

In order to provide a deeper dive into the activities and opinions of outdoor recreation participants and potential participants in the region, we conducted an online self-selected (nonscientific) survey of residents and visitors. Project partners and organization members helped publicize the survey across all forms of media to elicit as many responses as possible.

[80] Based on analysis conducted on Kayak.com for a stay of the same length and with the same party size as used in the Airbnb search.

Figure 55: Survey Respondent Ethnicity.



Source: ECONorthwest analysis of survey data.

Targeting a statistically-valid sample of visitors is very challenging and expensive considering the overall area of population that would need to be sampled. Such studies have challenges with representation. A targeted survey such as this one is not appropriate for making inferences regarding the overall regional and visitor population, but it can provide more important insights regarding the activities and interests of those who do participate in outdoor recreation in Chelan and Douglas counties. The survey had 1243 total complete responses, a substantial number given the size of the regional population. And as described below, the proportion of responses matches regional population, suggesting decent coverage.

9.9.1. Demographics of Survey Respondents

Race and Ethnicity

Strategic decisions about public goods need to be informed with input across the community; this is especially important when considering questions of access. 90 percent of respondents identified as White/Caucasian (Figure 55). Only 4 percent of respondents identified as Hispanic, while Hispanic represent nearly 30 percent of the two-county population[81].

[81] U.S. Census QuickFacts, 2015.

Table 38: A comparison of resident respondent and Chelan-Douglas counties average demographics.

	Gender Breakdown (%)	Median Income (2016$)	Labor force participation (%)	Median Age (years)
Resident respondent	50.00 female	75,000 to 124,999	81.61	46
Chelan-Douglas counties average	49.92 female	52,855	62.24	38.5

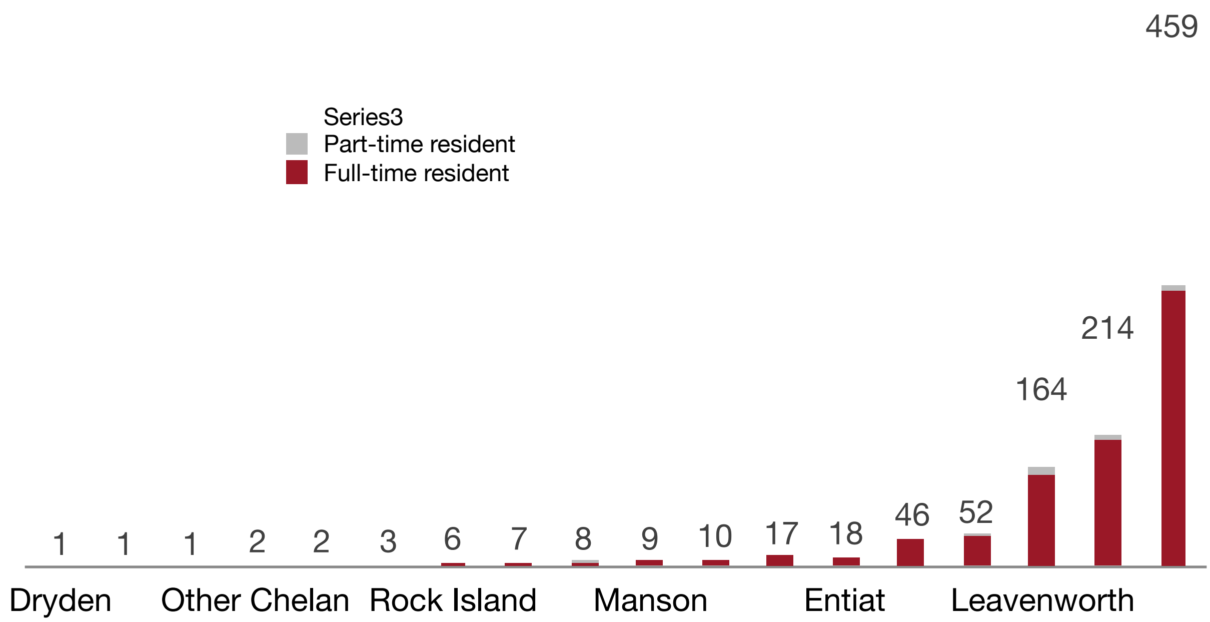
Source: U.S. Census Bureau 2015 estimates.

Respondents are slightly wealthier, older, and more likely to be employed than the region population on average (Table 38. Like resident survey respondents, an equivalent number of males and females call Chelan-Douglas counties home. The median household income for survey respondents was between $75,000 and $124,999 for residents. Census data indicates a much lower median household income for Chelan-Douglas counties residents of $52,855 (2016 dollars) as of 2015. The counties had an average labor force participation rate of 62 percent in 2015; 82 percent of resident respondents counted themselves in the labor force. Resident survey participants were, on average, 7.5 years older than the area's average. One in four people in Chelan-Douglas counties is under 18 years old, but only two resident survey respondents were 21 years old or younger.[82]

[82] Staff analysis of US Census, available at: https://www.census.gov/quickfacts/table/AGE135215/53007,53017,53,00

9.9.2. Residents

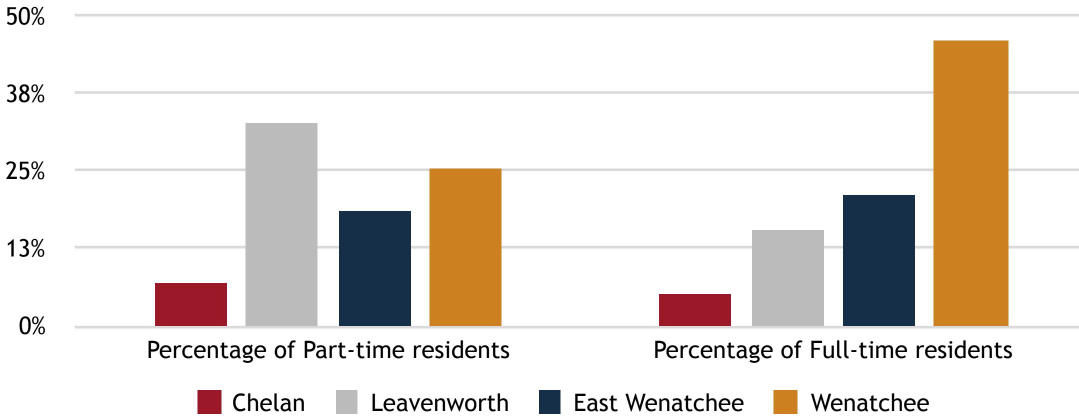
Figure 56: Home community for part- and full-time residents.



Source: ECONorthwest analysis of survey data.

A high portion of all respondents – over 85 percent – resided in Chelan or Douglas County on a part- or full-time basis (Figure 56). Of those already living in the area, nearly 96 percent identified as full-time residents of Chelan-Douglas counties. Members of three communities – Leavenworth, East Wenatchee, and Wenatchee – participated most heavily in the survey; they accounted for more than 82 percent of respondents. Residents of remaining communities represented about 18 percent of participants from Chelan-Douglas counties.

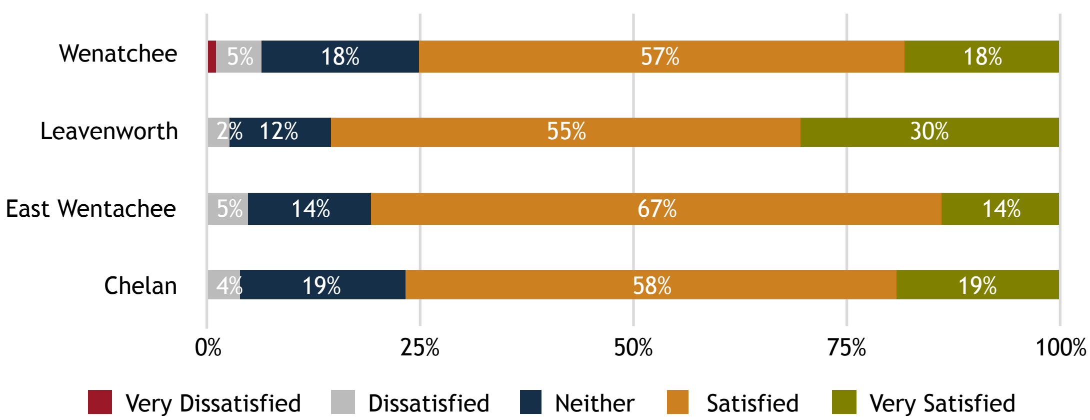
Figure 57: Distribution of part- and full-time residents across select cities.



Source: ECONorthwest analysis of survey data.

Four cities captured the majority of the part- and full-time respondents (Figure 57). Wenatchee had the highest percentage of full-time resident respondents and the second highest percentage of part-time residents. Leavenworth, third in terms of full-time resident percentage, hosted 33 percent of part-time residents. Chelan accounted for the fourth-highest percentage of both groups, seven percent of part-time residents and five percent of full-time residents. East Wenatchee, like its western counterpart, had a higher share of the total full-time resident population than the part-time.

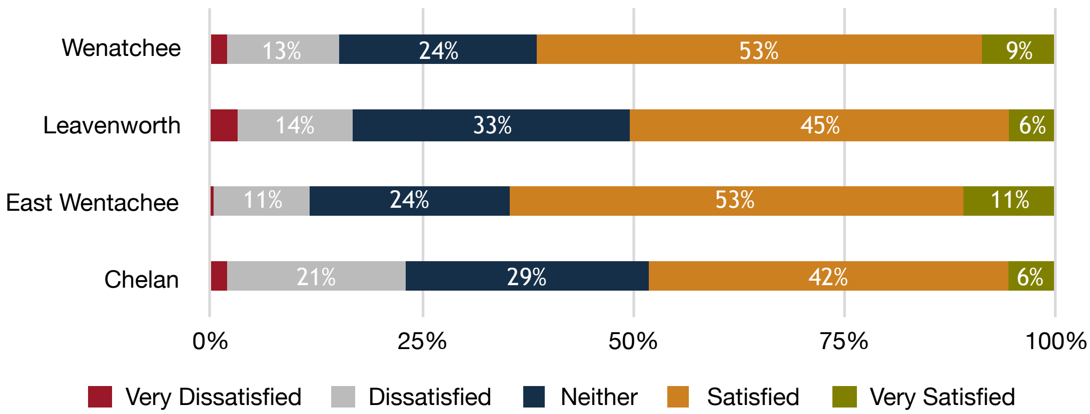
Figure 58: Resident ratings of cultural offerings in their town.



Source: ECONorthwest analysis of survey data.

75 percent or above of Wenatchee, Leavenworth, East Wenatchee, and Chelan residents rated their respective town's cultural offerings as "satisfactory" or "very satisfactory" (Figure 58). Almost one fifth of Chelan residents selected a neutral rating, the highest proportion of any town. Few people across all communities rated the cultural offerings negatively, under ten percent of each town selected "dissatisfied" or "very dissatisfied." 85 percent of Leavenworth residents were at least satisfied with the town's cultural amenities, the highest percentage among the included communities.

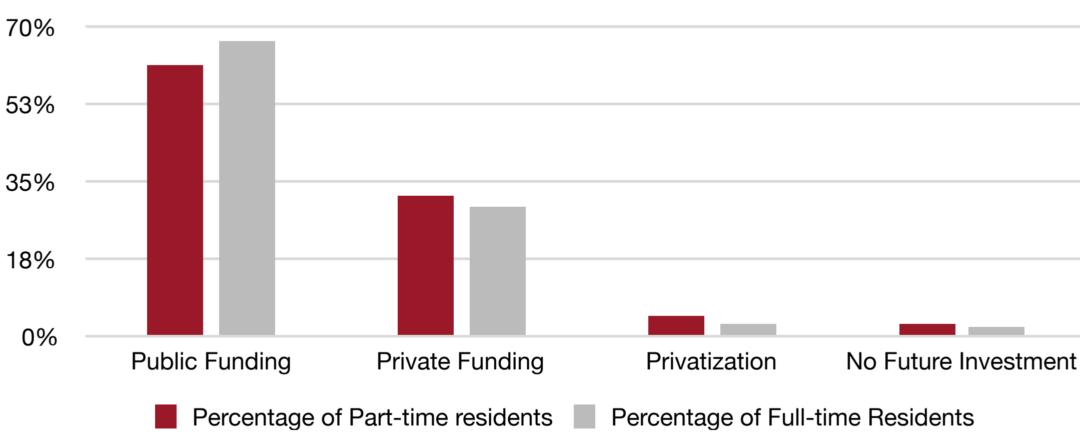
Figure 59: Resident rating of the employment and business opportunities in their town.



Source: ECONorthwest analysis of survey data.

Most residents in these communities had a positive view of the economic conditions within their respective towns (Figure 59). East Wenatchee residents held their opportunities in the highest regard in comparison to the other communities; more of them were "satisfied" or "very satisfied" than any other population. Chelan residents indicated the highest level of dissatisfaction; a combined 23 percent of the town's respondents were dissatisfied to an extent.

Figure 60: How residency status shaped responses to how best to fund outdoor recreation.

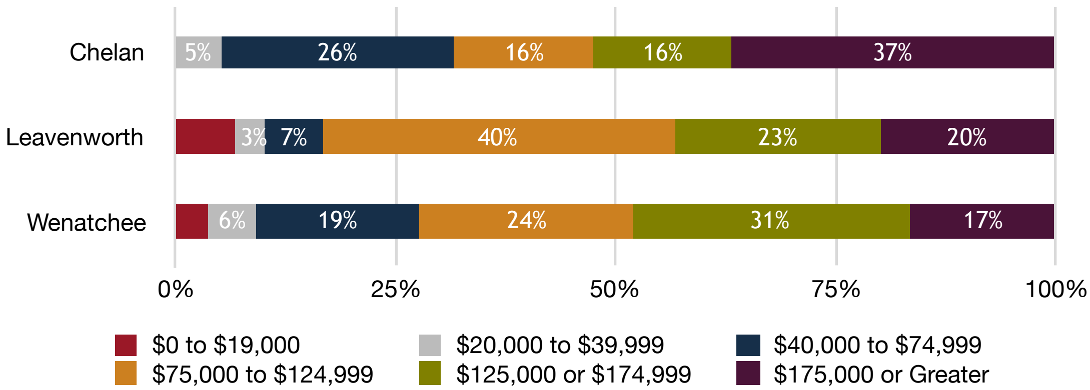


Source: ECONorthwest analysis of survey data.

Public funding garnered substantial support from all Chelan/Douglas counties residents (Figure 60). More than 60 percent of part- and full-time residents selected using public funding mechanisms to invest in nature and outdoor recreation. Few members of either group indicated a preference for privatization or the absence of investment altogether.

9.9.3. Visitors

Figure 61: The relationship between primary destination choice and visitor household income.



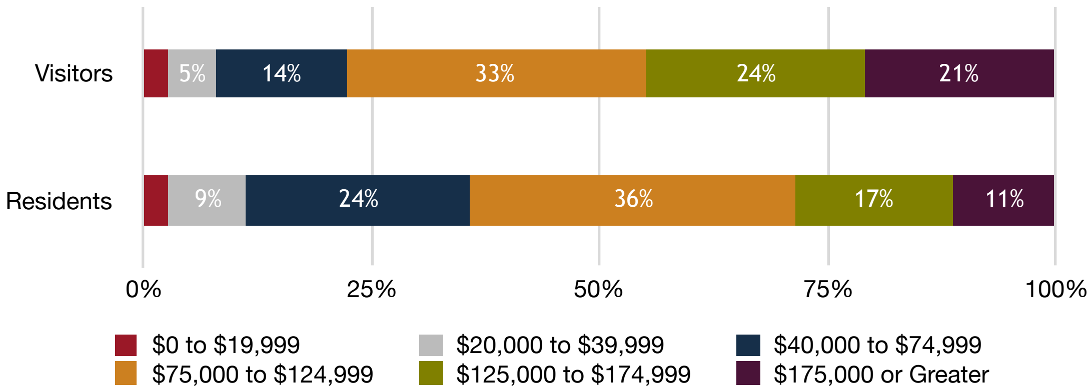
Source: ECONorthwest analysis of survey data.

Applying household income to primary destination selection shows that the communities attracted different income levels at different rates (Figure 61). Close to 40 percent of visitors to Chelan made over $175,000, five percent earned an annual household income under $40,000. In contrast to Chelan, the plurality of visitors to Leavenworth placed themselves in the $75,000 to $124,999 income bracket. The largest percentage of visitors to Wenatchee earned between $125,000 and $174,999.

Visitors and residents shared some attributes: both groups had a mean age of 47 years; respondents almost unanimously identified as White/Caucasian; and, less than 12 percent of visitors and residents earned a household annual income below $20,000. In fact, a majority of both groups had incomes above $75,000, 76 percent of visitors and 61 percent of residents.

However, the groups diverged on certain factors. Whereas Chelan-Douglas counties residents who participated split almost 50-50 between males and females, visitors were 63 percent male. A closer examination of income information reveals higher income levels for visitors (Figure 62). 45 percent of visitors listed incomes of over $125,000, residents did so 27 percent of the time.

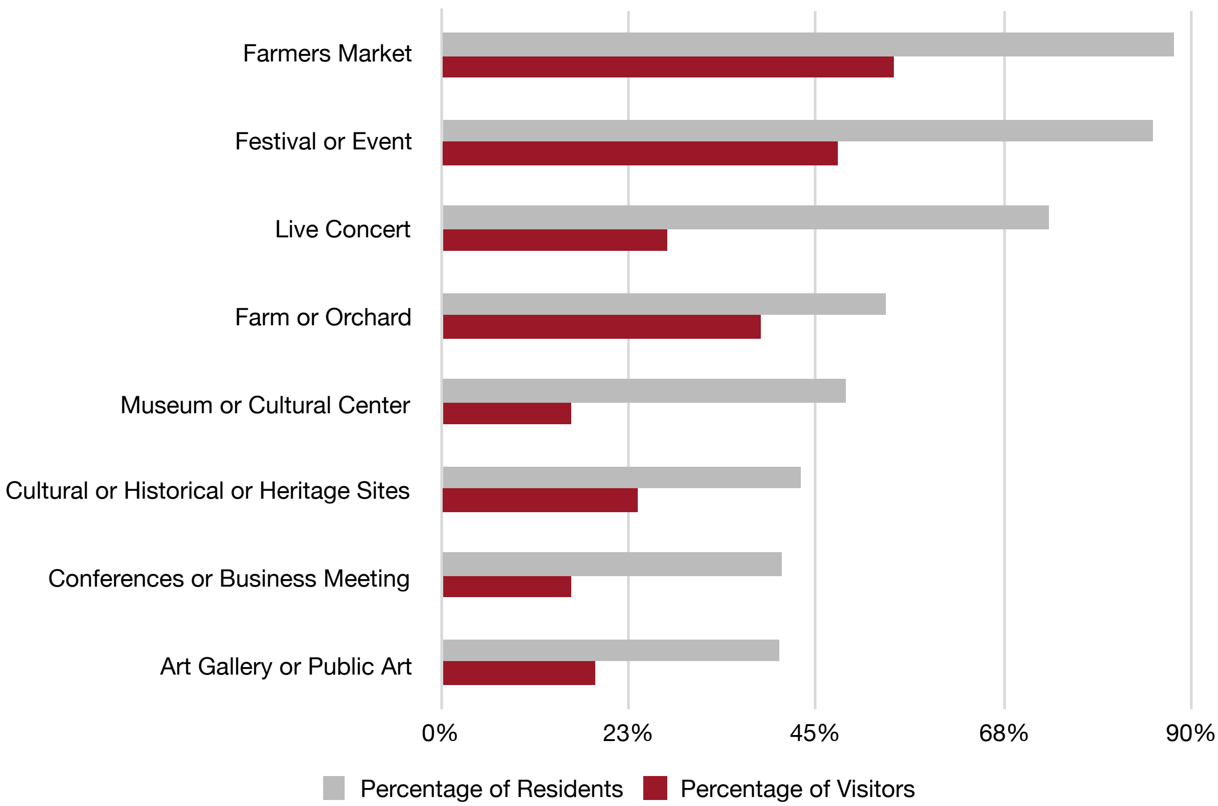
Figure 62: Breakdown of household income for visitors and residents.



Source: ECONorthwest analysis of survey data.

9.9.4. Town Activities

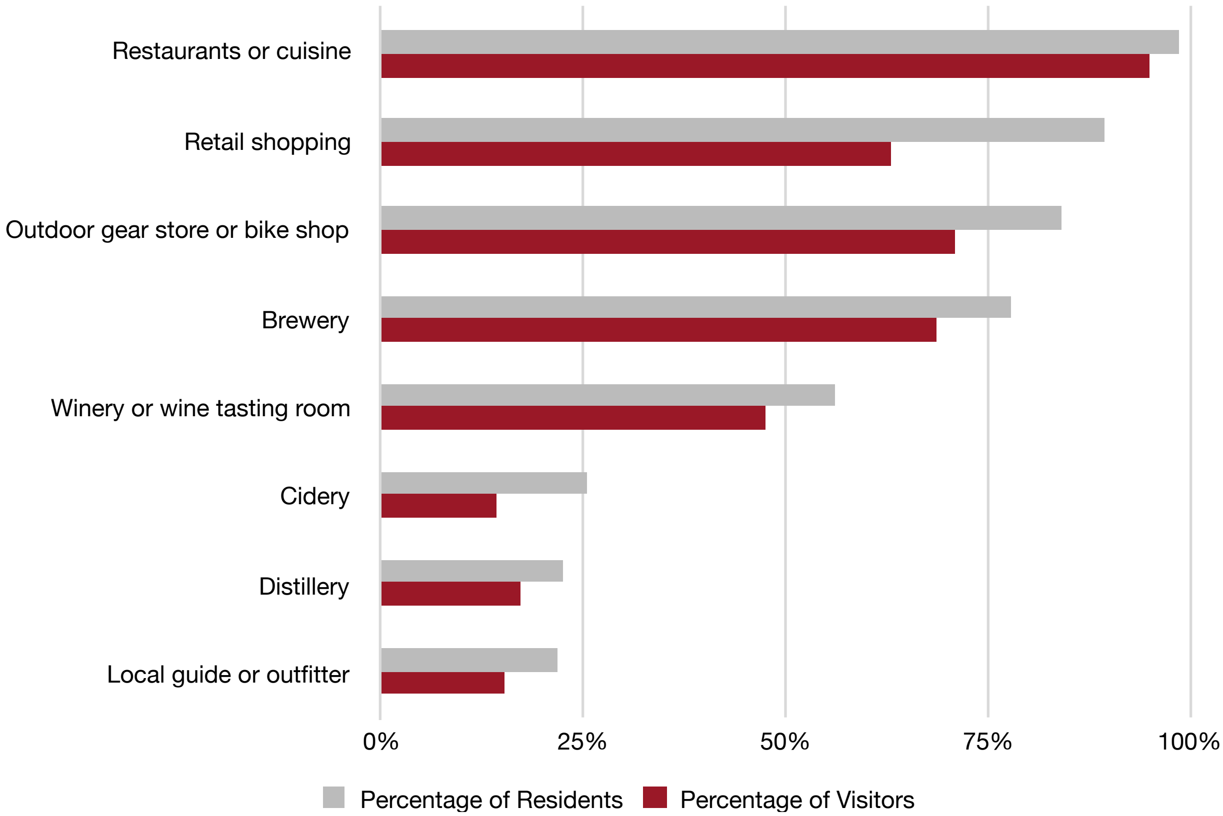
Figure 63: A comparison of visitor and resident town activity participation.



Source: ECONorthwest analysis of survey data.

Resident respondents attend all cultural destinations at a higher rate than visitors (Figure 63). More than four in ten visitors went to the farmers market and/or a festival or event, no other destination received a visitation rate above 40 percent. On the other hand, more than a third of residents venture to the area's cultural destinations. After farmers markets, festivals and concerts are the two most popular events among residents.

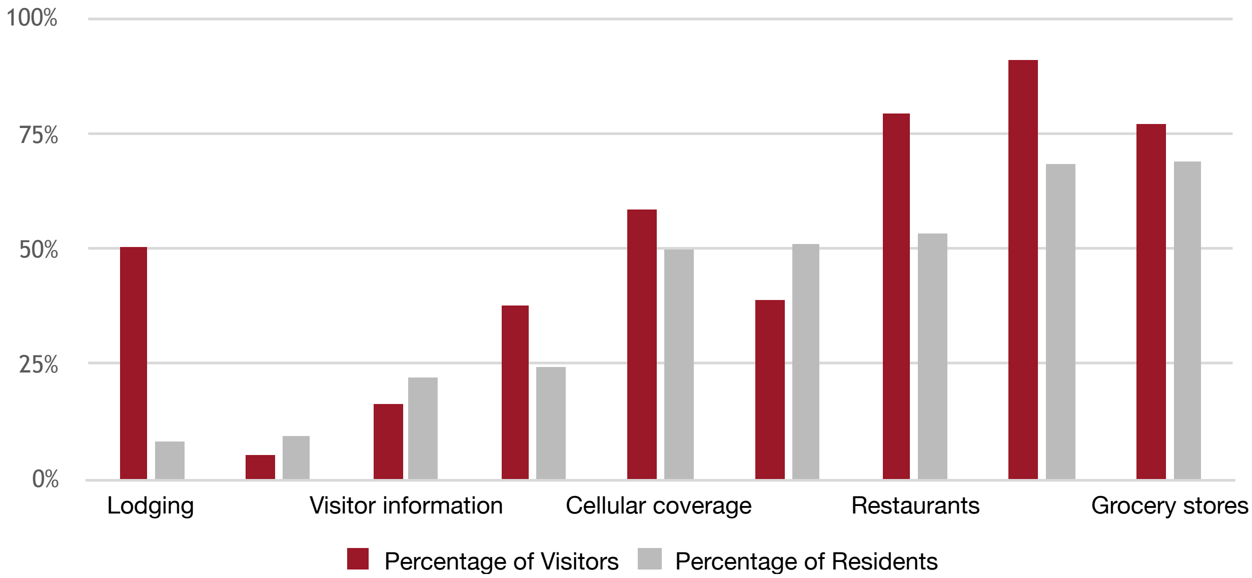
Figure 64: A comparison of visitor and resident local business visits.



Source: ECONorthwest analysis of survey data.

Eating, drinking beer, and preparing for another adventure topped the list of visitors' local business interactions (Figure 64). 95 percent of visitors stop at a restaurant or cuisine destination during their time in the county; this category received the highest percentage of visits. Close to 70 percent additionally visit gear shops and breweries, second and third in visitor percentage, respectively. Residents also report restaurants as their primary local business destination. Retail shopping, at 89 percent, and gear shops, at 84 percent, rounded out the top three for residents. Under 30 percent of all respondents listed a cidery, distillery, or local guide as one of their business stops. Residents report visiting all destinations at a higher rate than visitors.

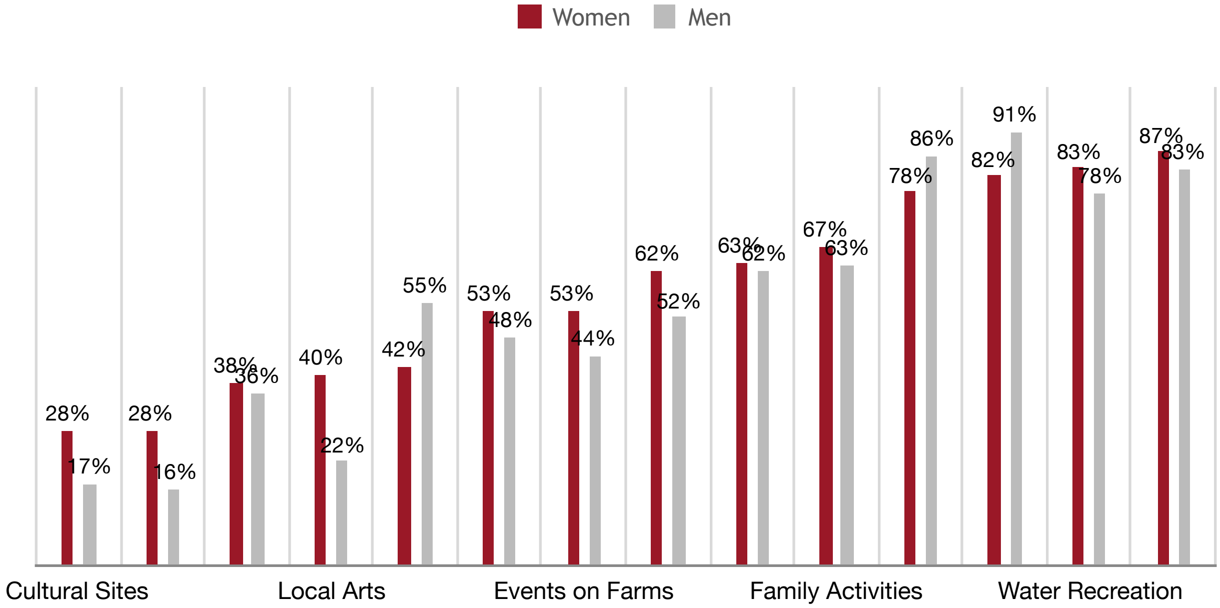
Figure 65: A comparison of use of services while recreating, visitors and residents.



Source: ECONorthwest analysis of survey data.

Visitors tend to use services at a higher rate than residents (Figure 65). Whereas lodging is the least frequently used service by residents, it is among the highest required by visitors. Gas stations, restaurants, and grocery stores, in that order, drew the largest share of visitors. Over 90 percent of visitors headed to a gas station while recreating. More than three-fourths of Chelan-Douglas counties outsiders opted to visit a grocery store and/or restaurant. Few members of either group called on guides or visitor information for outdoor excursions.

Figure 66: Percent of favorable impressions by amenities and by gender.

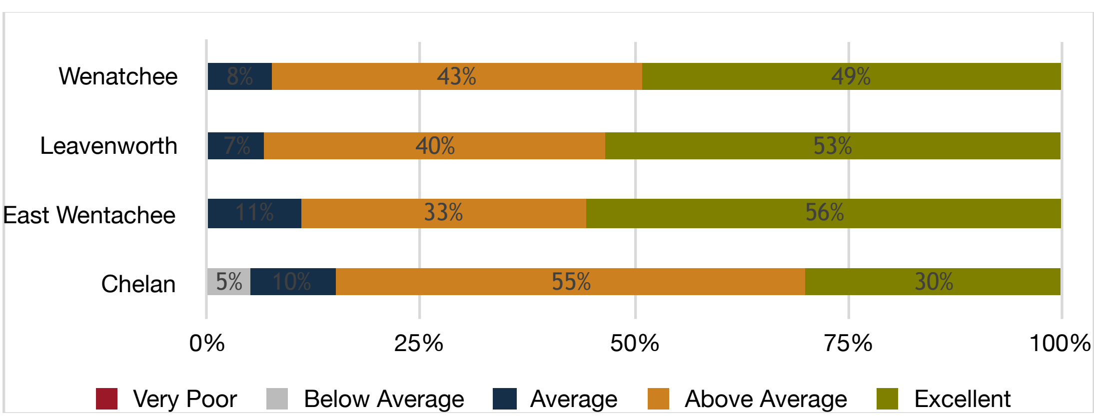


Source: ECONorthwest analysis of survey data.

The Chelan-Douglas counties area excelled in meeting or exceeding visitors' demands and expectations (Figure 66). 83 percent of visitors came, at least in large part, for land recreation. An even higher percentage of visitors, of both sexes, left pleased with opportunities they found in the area. The area did not disappoint the high percentage of visitors looking for scenic beauty. Male and female guests alike approved of the availability of natural awe. Under a third of all visitors returned home with a favorable impression of the area's cultural sites and shopping opportunities. However, an even smaller percentage listed either of those features as a main draw to the destination.

9.9.5. Visitor Satisfaction and Accommodation

Figure 67: Visitor satisfaction with land recreation opportunities at their primary destination.

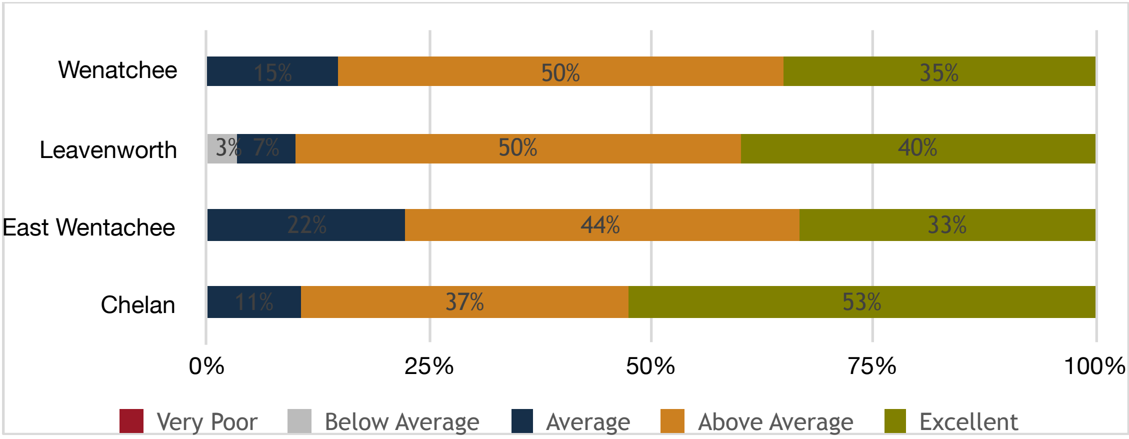


Source: ECONorthwest analysis of survey data.

Visitors to Chelan-Douglas counties, on average, left with an overwhelmingly positive opinion of the land recreation opportunities available (Figure 67). 30 percent or more of visitors to each of the most visited destinations regarded the opportunities as "excellent;"

this rate topped 50 percent in both East Wenatchee and Leavenworth. No respondents deemed the opportunities to be "very poor." However, five percent of Chelan visitors judged the opportunities to be "below average."

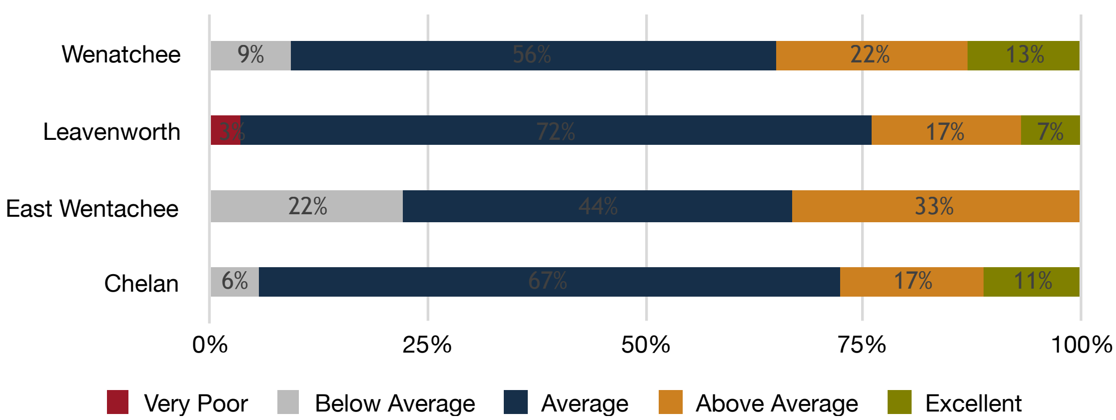
Figure 68: Visitor satisfaction with water recreation opportunities at their primary destination.



Source: ECONorthwest analysis of survey data.

Large majorities of visitors to Wenatchee, Leavenworth, East Wenatchee, and Chelan assessed the water recreation opportunities available as above average (Figure 68). Overall, under 5 percent of visitor respondents thought water recreation opportunities in the area fell short of their expectations. About a fourth of visitors to East Wenatchee said the opportunities there were "average." Whereas Chelan had the lowest "excellent" responses for land opportunities, the community received the largest proportion of "excellent" water recreation opportunity responses.

Figure 69: Visitor satisfaction with cultural opportunities at their primary destination.



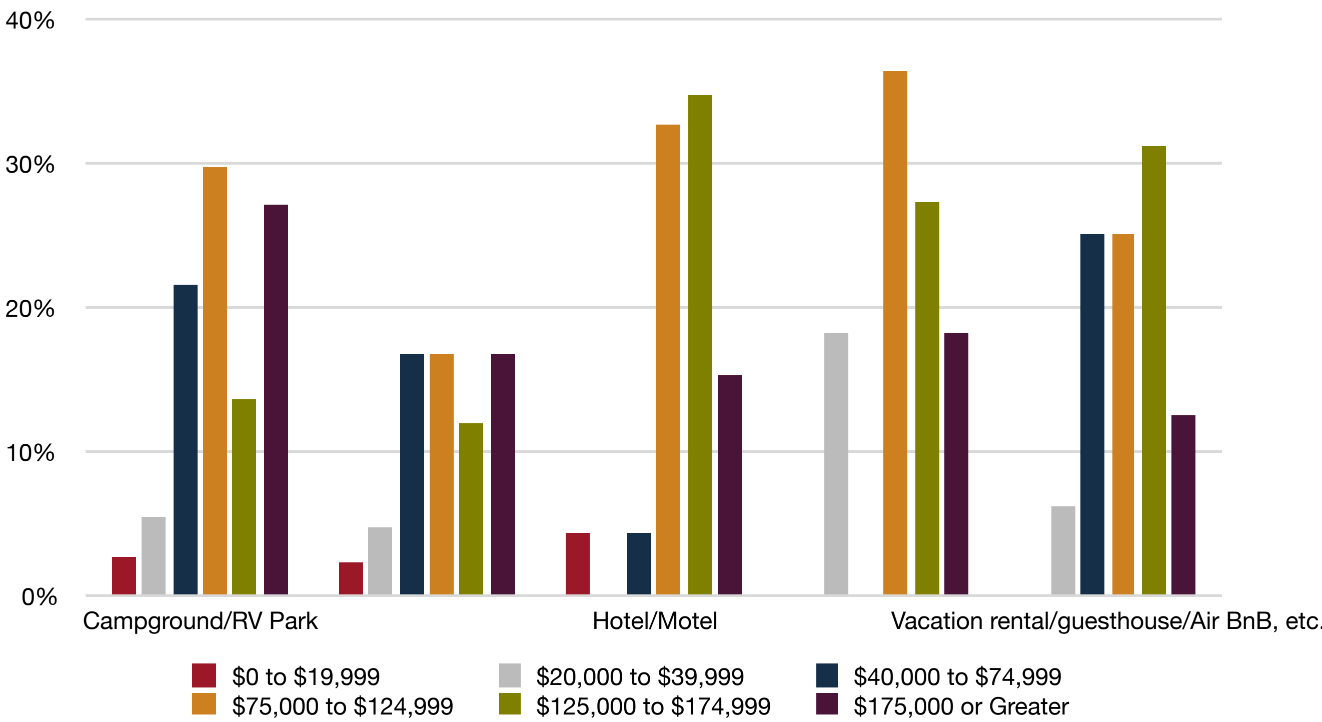
Source: ECONorthwest analysis of survey data.

Visitors found cultural opportunities in their respective communities far less impressive than the outdoor recreation offerings (Figure 69). 44 percent or more of visitors to each of these communities designated the cultural amenities as "average." Data suggest this trend was particularly clear in East Wenatchee. Zero percent of respondents in that city felt it had "excellent" cultural opportunities; 22 percent considered them as "below average."

Over ten percent of visitors to Wenatchee and Chelan thought their destination had "excellent" cultural opportunities.

Length of stay varies by income group as well as desination. Of visitors on the ends of the household income spectrum – those with household incomes under $20,000 or over $175,000 – average trips lasted 3.5 nights. Those in the middle income brackets visited, on average, for between two and three nights. Overall, the average visit lasted for 2.98 nights. The three communities most frequently listed as visitors' primary destinations – Wenatchee, Leavenworth, and Chelan – all had visitors stay for an average number of nights beyond that of the region's norm. On average, visitors spent 3.5, 3.6, and 4.3 nights, respectively, at the aforementioned communities.[83]

Figure 70: Distribution of visitors at accommodations by household income.



Source: ECONorthwest analysis of survey data.

Higher income visitors filled many openings at three specific types of accommodation. Visitors with household incomes in excess of $125,000 accounted for over 44 percent of stays at resort/lodges, hotels/motels, and vacation rentals (Figure 70). Close to a third of vacation rental users, though, reported household incomes of $74,999 or less. Respondents with lower household incomes had notable shares of stays in a variety of accommodations. Those in the $40,000 to $74,999 bracket made up nearly a quarter of campground/RV park stays. Just under a fifth of resort/lodge stays were attributed to visitors make between $20,000 and $39,999. Visitors in the lowest bracket had fewer than five percent of the stays at all accommodations.

[83] Stays beyond 7 nights were not included in compiling this average. Very few respondents stayed beyond a week. Some of those that did remained for upwards of a month. Including these observations would have upwardly skewed the average length of stay.

9.10. Local Outdoor Events

Events are important drivers for total visits, visits that involve relatively high expenditures (lodging, meals, fees, etc.). They are also an important way to attract people to see the region, and potentially return or even choose to move. Events can also attract sufficient visitors and their spending from outside the region to justify the event promotion in the first place. In this way locals benefit from visitors not only by their spending, but as a basis for events that are enjoyable to attend and participate for residents, but that resident attendance levels alone might not justify. Outdoor events in the two counties cumulatively account for over $35,000,000 in economic expenditure[84]. In 2014, Chelan County-based events spurred $21.44 million in spending; event spending was $11.34 million in Douglas County in 2014.

Of all activities on all lands in Washington, special events such as sports tournaments, races, and wildlife events generated the second highest amount of consumer expenditure. Per-person per-day spending for this category totaled $45 (2014$). Access fees and high overnight stay rates contribute to this activity's high expenditure rate.

These events include the annual Dark Side Festival, during which mountain bikers and runners converge at Mission Ridge and depart on nighttime rides and runs. 3050 outdoor recreationists attended in 2014.[85] Groups like Adventure Wenatchee host this festival and other special races and gatherings throughout the Valley.

Community events, including those with outdoor themes, distinguish tourist areas from other destinations. Towns become known for their regular, unique events. These events can draw specific groups to the area again and again, year after year. Predictable flows of specific groups enable communities to build up a more robust tourism infrastructure suited to the tastes of regular "customers." Over time, more members of these niche groups come to the area for the well-adjusted events and accommodations.[86] The Wenatchee Valley has proven its ability to attract repeat visitors.[87] By building on the preferences of these repeat visitors and addressing their concerns the county can strengthen the sources bringing visitors back to the area.

Outdoor recreation activities occur throughout the region, with primary concentrations in Wenatchee Valley and Lake Chelan. A search for outdoor recreation events in the area identified nearly 40, listed here:

1st Annual Moose Dewlap Citizens Trek	ChelanMan Triathlon, Half Marathon, and 10K
Special Olympics	Chelan Century Challenge
Bavarian Bike & Brew Festival	Chelan Cycle de Vine

[84] Earth Economics, "*Economic Analysis of Outdoor Recreation in Washington State*," Washington State Recreation and Conservation Office, January 2015, available at: http://www.rco.wa.gov/documents/ORTF/EconomicAnalysisOutdoorRec.pdf

[85] "*Dark Side Festival*," Wenatchee Outdoors, September, 2016, available at: http://wenatcheeoutdoors.org/2016/09/20/dark-side-festival-2016/

[86] Eliza Grames & Mary Vitcenda, *"Community festivals – Big benefits, but risks, too,"* University of Minnesota, Winter 2012, available at: http://www.extension.umn.edu/community/news/community-festivals/

[87] Adventure Wenatchee, "*Wenatchee Valley Visitor Habits, Impressions and Expectations in 2015*," Wenatchee Valley Chamber of Commerce, December 31, 2015, available at: ftp://ftp.wenatcheewa.gov/City%20Administration/Chamber2015MarketResearchReport.pdf

Skirennen Nordic Citizens Race	Echo Valley Trail Run
Chicks on Sticks	Echo Valley Mountain Bike Races
Bakke Cup	Winterfest Snowshoe Run/Walk
Nissebakken Tele Race	Color Rush
Leavenworth Marathon	Wenatchee Marathon
Lake Chelan Shore to Shore Marathon	Deputy Saul Gallegos Memorial Run
Apple Century Bike Ride	Plain 100-Mile and 100K Ultra-Runs
Red Devil Challenge Trail Runs	Banks Lake Triple Fish Challenge
Horse Lake Half Marathon Trail Run	Run the Dam 5K, 10K, Half Marathon
Oktoberfest Pumpkin 10-Mile and 8K Trail Runs	Lake Chelan Swim
Turkey on the Run 5K. 12K, and Kids Race	Lake Chelan Sailing Regatta
Run Wenatchee-River Run	SkyFest
O'Grady's St. Paddy's 5K	Mahogany & Merlot
Bundle Up 5K Run	Bike n' Juice
Tour de Bloom	Leavenworth Spring Bird Fest
Chelan Chase 5K	

In general, the activity and impacts of these events would be captured in the aggregate outdoor recreation participation and spending data reported throughout this study. But their importance locally and for long-term resident and business attraction is disproportionately strong.

Summer, in particular, draws people to the region. Using internet searches as a proxy for interest in the area, a spark in outsiders' potential attraction to the region jumps in April, peaks in early August, and returns to non-summer levels of interest in late October.

9.11. Other Trail Economic Studies

While long trails have always been a key interest among hikers, there is continued demand for more long routes. Studies exist specific to the economic importance of proposals to develop such trails. Below are two examples.

Yellowstone-Grand Teton Loop

A proposed 262-mile trail loop connecting Yellowstone to the Grand Tetons would generate substantial economic benefits for the region. The trail would tie Victor, Idaho with the Yellowstone and Grand Teton areas. Currently, under 15 miles separate the local trail system in Victor to larger trails in Idaho and Wyoming. The connection would accommodate the following:

- Increased use: they estimate that over 2,600 users would access the loop each day of the riding season.
- Heavy visitor traffic: 59 percent of users would come from outside of the region.
- Substantial spending: Visitor users would spend $287.20 per day, on average, because of using the bicycle pathway. Local users would spend upwards of $1,500 a year.[88]

Columbia River Gorge

Organizers aimed to connect pathways along the Gorge on the Oregon side. Before construction started, the pathway could be broken in five different sections. The project would provide users with a continuous path through the scenic area of the Gorge. From this work, researchers estimated several changes in use, for example:[89]

- About two-thirds of those that partake in some form of biking indicated that they would ride more frequently in the Gorge upon completion of the project
- Over three-fourths of road bikers, specifically, reported that they would recreate more in the Gorge once key project linkages had been constructed
- The increase in recreation would result in 82 full and part-time jobs as well as over $6 million a year in spending in local Gorge communities

Whistler Sea to Sky Mountain Biking

A study of the economic impact of mountain biking in the vicinity of Whistler, BC found visitor spending attributable to mountain biking at $34 million during a three month period in 2006[90]. A single mountain biking festival, Crankwork, generated 55,000 visitors and $12 million in spending. Those visitation numbers and spending impacts have likely risen substantially in the interim.

These studies jointly suggest that in response to an increase in supply, analysts forecast notable increases in demand as well. Increased trail use from visitors accounts for a substantial portion of the change in use. As a result of increased use, total expenditure increases in communities featured on the loop. This spending would support jobs and businesses in proximity to the path.

9.12. Tourism Needs

Tourist hotspots across the world share a few characteristics. Visitors are drawn to spots that, among other things:

- exhibit a unique physical environment,
- feature creative and specialized industries,
- link landmarks and culturally significant places to other amenities,

[88] Will Jenson and Kenny Scoresby, "*Yellowstone-Grand Teton Loop*," Eastern Idaho Entrepreneurial Center, Spring 2015, available at: http://headwaterseconomics.org/wp-content/uploads/Trail_Study_97-Yellowstone-Grand-Teton-Cycling-Loop.pdf

[89] Dean Runyan Associates, "*Columbia River Gorge Bicycle Recreation*," Friends of the Columbia River Gorge, June 2014, available at: http://headwaterseconomics.org/wp-content/uploads/Trail_Study_67-columbia-river-gorge-bicycle-rec.pdf

[90] Western Canada Mountain Bike Tourism Association. 2006. Sea to Sky Mountain Biking Economic Impact Study.

- demonstrate the talents and vibrancy of the local community.[91]

Tourism industry leaders have placed an emphasis on placemaking: the idea that visitors are drawn to places that offer a whole package of amenities. For instance, placemaking looks like a visitor having access to a broad spectrum of restaurants, accommodations, and entertainment.[92] Communities that excel in placemaking send visitors back to their place of origin feeling as though they experienced something unique or extraordinary. “Effective community tourism development,” according to the University of Minnesota Tourism Center, “aims to give visitors an authentic, high-quality experience that they will remember for a long time.”[93] Such an experience often requires communities within a region to form a tourism network that celebrates and shares the strengths of each area. By connecting communities, a region can provide visitors with each of the following items, all of which factor into how a tourist regarded their experience:

- Beautiful or intriguing scenes in nature, including geology and wildlife;
- Fun things to do outdoors;
- Places to get to know local history and culture;
- Chances to see and interact with local art and artists;
- Festivals and events that celebrate local history, culture, harvest time, foods, music, or celebrities;
- Built attractions, such as monuments, amusement parks, zoos, or theme parks;
- and Local businesses and retail stores where visitors can shop or be pampered.[94]

The two-county region, as recorded in the survey, excels in meeting and exceeding visitors’ expectations regarding the first two bullet points. Respondents indicated their satisfaction with outdoor recreation in the region regardless of the time of the year and regardless of whether that recreation occurred on snow, water, or dry land. Table 39 relays how select communities in the region performed in satisfying visitor expectations on the remaining bullet points.[95]

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[91] “*What makes a successful tourist destination*?” Sheard&Hudson, February 24, 2016, available at: http://www.sheardhudson.com/makes-successful-tourist-destination/

[92] Andy Northup, Brad Neumann, “*Placemaking for tourism – How to attract new visitors and talent to your region*,” Michigan State University, March 23, 2016, available at: http://msue.anr.msu.edu/news/placemaking_for_tourism_how_to_attract_new_visitors_and_talent_to_your_regi

[93] Mary Vitcenda, “*Why should visitors love your town? Count the ways*,” the University of Minnesota, 2011, available at: http://www.extension.umn.edu/community/news/tourism-assets.html

[94] Mary Vitcenda, “*Why should visitors love your town? Count the ways*,” the University of Minnesota, 2011, available at: http://www.extension.umn.edu/community/news/tourism-assets.html

[95] Note that some communities have very few survey observations. Nonetheless, the community-level responses convey impressions likely held by a number of other visitors both to the respective community and region.

Table 39: Percentage of survey respondents that reviewed an amenity as "average" or worse.

	Local Art	Heritage/ Cultural Sites	Range of Activities for Family	Quality of Accomodat-ion	Outdoor Recreation Information	Retail Shopping	Local Restaurants	Accessibility
Region Average (n=155)	69%	77%	31%	63%	40%	78%	46%	35%
Chelan (n=6)	72%	61%	30%	50%	40%	80%	40%	40%
East Wenatchee (n=9)	67%	89%	22%	78%	44%	89%	56%	44%
Entiat (n=7)	71%	100%	17%	60%	67%	100%	50%	57%
Leavenworth (n=30)	76%	72%	33%	62%	37%	72%	39%	33%
Wenatchee (n=55)	65%	76%	28%	59%	33%	79%	43%	35%

Source: ECONorthwest analysis of survey data. Yellow indicates that the percentage of visitors to a community that would prefer improvement to that the amenity is higher than the regional average; green suggests the rate is equal to or below the regional average. Black boxes show the community with the lowest "average" or worse percentage.

9.13. Regional Strengths and Weaknesses

Region as a Whole

Strengths: The region has several communities with easily accessible outdoor recreation opportunities. Regardless of where visitors stay, they leave with a positive review of the region's outdoor opportunities. Diverse communities with varied amenities attract guests from across the state and accommodate a wide range of preferences. Well over half of all visitors perceive the region's accessibility, local restaurants, outdoor recreation information, and range of family activities as above average or excellent.

Weaknesses: Cultural amenities such as heritage sites and local art as well as retail shops do not receive stellar reviews. Under 31 percent of visitors view those features as above average or excellent. The largest communities, like Leavenworth and Wenatchee, reported the highest scores in these regional weak spots. The concentration of quality cultural amenities in the most populous destinations may reduce the incentive for visitors to explore other parts of the region.

Opportunities: Through accentuating and highlighting the strengths of each community, the entire region can reaffirm itself as a tourism hub that pairs outdoor recreation with hospitality and entertainment. Tourism regions must invest in "hard" components (roads, parking lots, trails, wayfinding, hotels, etc.) and "soft" components (customer service training, arts and culture, friendly locals, etc.);[96] the two-county region has a strong general supply of both components and the potential to reinforce areas in need of improvement.

Public and private stakeholders alike have indicated a desire to support the region's tourism industry. When these stakeholders unite around common aims and objectives the region will benefit by increasing its ability to leverage the most impact from the available resources. Stakeholders should find opportunities to regularly monitor opportunities to

[96] David Vail, "*Amenity Investments and Tourist Destination Development*," Bowdoin College, August, 2010, available at: https://www.bowdoin.edu/environmental-studies/pdf/mecep-report-vail.pdf

make investments and analyze trends. More communication between stakeholders will reduce duplicative efforts and ensure no opportunity goes unrecognized.

A rise in tourists looking for "experiences" means the region has an opportunity to turn its relative ruggedness into an asset. More than ever, tourists look for destinations that provide them with a sense of exploration.[97] Guests hope to record their epic travels to distinct destinations. With appropriate rebranding and investment, the region can leverage the already high number of visitors eager to embark on adventures and record their experiences.

Chelan

Strengths: Chelan visitors left more impressed with the town's heritage and cultural sites, range of family activities, quality of accommodation, outdoor recreation information, local restaurants, and general accessibility than the average visitor to the region. The town recorded the highest percentage of visitors with an above average impression of their heritage and cultural sites; the same holds true for quality of accommodation. Only Leavenworth visitors had a higher percentage impressed by the local restaurants.

Weaknesses: Over seven in ten visitors only viewed the local art and retail shopping as average or worse; four in ten visitors thought the town offered, at best, average accessibility. In each of these categories, the town was behind the regional average. A five percent gap separated Chelan visitors from the region-wide average in accessibility.

Opportunity: The highly regarded quality of accommodation in Chelan represents a chance for the community to attract more visitors and businesses. Providing guests with easy access from their place of stay to cultural sites will further the community's lead in both categories. Though not the highest rated, visitors already enjoy the local restaurants in Chelan. If the community improves its local art offerings, the town could make a strong case for recognition as the cultural center of the region.

East Wenatchee

Strengths: East Wenatchee visitors held favorable impressions of the community's local art and range of family activities when judged against the region average. In fact, 78 percent of visitors regarded East Wenatchee's family activities as above average or excellent; only Entiat had a higher rate. The community also had the second highest above average or excellent rating for local art. Wenatchee eclipsed its eastern counterpart by a mere two percent in the category.

Weaknesses: The community falls behind the region, per respondents, on heritage and cultural sites, quality of accommodation, outdoor recreation information, retail shopping, local restaurants, and accessibility. Approximately one in ten visitors thought the city had above average or better heritage and cultural sites and retail shopping. 15 percent more visitors to East Wenatchee than the region felt the quality of accommodation could be improved. On the remaining categories – outdoor recreation information, local restaurants, and accessibility – the city was within ten percentage points of the regional average.

Opportunity: Visitors' high marks for East Wenatchee art suggests that the community could specialize in providing guests with opportunities to see the region's creative side. The community also could make up the distance between itself and the community on

[97] David Vail, "*Amenity Investments and Tourist Destination Development*," Bowdoin College, August, 2010, available at: https://www.bowdoin.edu/environmental-studies/pdf/mecep-report-vail.pdf

outdoor information and become a starting and ending point for visitors looking to explore Douglas County.

Entiat

Strengths: 83 percent of Entiat visitors reported being impressed by the town's family activities, the highest rate among the selected communities. Entiat also scored higher than the regional average on quality of accommodation. Jointly, these characteristics evidence the town's ability to please visiting families looking for quality places to stay during their stay in the two-county area.

Weaknesses: Fewer visitors to Entiat than to the region held above average or better views on the community's local art, heritage and cultural sites, outdoor recreation information, retail shopping, local restaurants, and accessibility. However, fewer than five percentage points separated the community from the regional average on local art and restaurants.

Opportunity: Increasing the number of restaurants and art venues tailored to families could make Entiat into one of the region's best picks for families looking for a basecamp.

Leavenworth

Strength: Leavenworth received the best reviews of the region for retail shopping, local restaurants, and accessibility. It also exceeded the region average for heritage and cultural sites, quality of accommodation, and outdoor recreation information.

Weaknesses: Under a quarter of visitors to Leavenworth deemed its local art as above average or excellent; the Wenatchee rate was 11 percent higher. Of the five communities assessed, Leavenworth was the only one to have a range of family activities rated worse than the regional average.

Opportunity: Visitors to the town highly regard its commercial offerings. Leavenworth draw more visitors to town by branding itself as the place to go to eat, stop, and shop in the two-county region. Officials could look into connecting local artists with restaurants and small businesses to better showcase the area's ingenuity and originality.

Wenatchee

Strengths: The town leads the region in local art and outdoor recreation information, based on visitor survey responses. It also exceeds the regional average visitor satisfaction rate on heritage and cultural sites, family activities, quality of accommodation, local restaurants, and accessibility. Note, though, that the area only ties the regional average on accessibility.

Weakness: Visitors only regarded retail shopping lower than the regional average, and only by one percent. Every other amenity surpassed the regional standard. However, results show that Wenatchee is within three percentage points of the regional average on heritage and cultural sites, family activities, local restaurants, and accessibility; the proximity of Wenatchee to the regional average on many categories illustrates a need to improve some offerings in order to differentiate the community from the standard.

Opportunity: The combination of good scores on outdoor recreation information and quality of accommodation indicates that many already view Wentachee as a good place to launch adventures. Improving accessibility and local restaurants could attract more visitors and compel them to spend more of their time in the region in Wenatchee.