



SUPPORT OF OUTDOOR RECREATION TALKING POINTS

MAIN POINT

The Travel Federation of Iowa supports increased funding for state parks, trail development and CAT grants.

Doing this will:

- Improve the quality of life in Iowa.
- Help recruit and retain businesses.
- Keep Iowans healthy and active.
- Help Iowa become the "Healthiest State."

OUTDOOR RECREATION ALSO CREATES ECONOMIC IMPACT:

- Campers spend \$55.10/day to camp in local county and state parks
- Hunters spend \$400/year per acre of hunting ground in Iowa
- Trail users spend \$8/visit to Iowa's trail systems
- Anglers (fishermen) spend \$100/day to fish lakes & streams
- Water trail users can spend \$25-\$30/day to use Iowa's rivers & streams
- General park visitors spend \$15/visit to county & state parks in Iowa

Source: Iowa County Conservation System

FACT - Businesses will choose to locate and/or remain in locations where ample quality of life features are plentiful - trails, parks, water recreation, cultural resources, etc. AND, where there is visible support for these features.

FACT - There are local nature/visitor centers in over 70 counties that provide outdoor, healthy life style programming and lifelong learning experiences - encouraging Iowans to get out-of-doors.

FACT - Providing safe, attractive and well-maintained parks & trails that are locally accessible across the state helps to build a healthier Iowa by enticing people to the out-of-doors.

FACT - Connecting our linear parks (trails/water trails) with communities, cultural resources and other parks can build a nationally recognized network that will benefit all Iowans as well as draw visitors & business to our state. This ongoing expansion of connections, and the future maintenance thereof will need ongoing dedicated funding.

VISION IOWA/CAT GRANT SUPPORT:

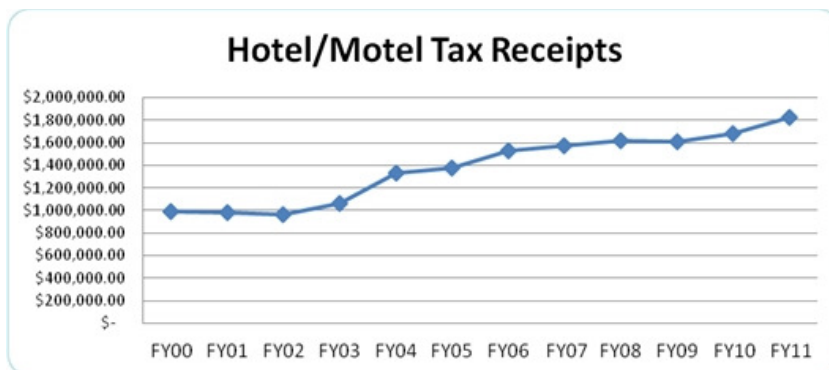
Iowa State University recently released a study analyzing the return on investment from the State's Vision Iowa Program. Researchers found that the state made a 9.2% annual return on

investment in sales tax revenues. In addition, local communities who built new amenities with Vision Iowa assistance enjoyed a 1% return based on increase in sales tax revenues.

The Vision Iowa Program was created in 2001 to provide financial assistance to recreational, cultural, educational, and entertainment attractions in the state of Iowa. Since the program's inception, the state has invested \$370 million into nearly 400 projects. These projects span more than 230 Iowa communities and 95 out of the 99 counties.

The Vision Iowa Board, who administers the funding, expected broad public support to be demonstrated through city, county, and private financial participation. This resulted in the state's investment of \$370 million being leveraged into \$2 billion of direct project investment.

Some of the most successful communities built on existing amenities and resources. The City of Decorah provides a notable example. This Iowa town is located in the northeast corner of the state amidst beautiful bluffs and waterways. In 2006, the community received Vision Iowa funding in the amount of \$1.6 million for a \$5 million project, which included a 12-mile loop trail around the city. The trail crosses trout streams five times and includes public art and access to the Upper Iowa River. The City of Decorah has reported a 52.5% increase in hotel/motel taxes between 2001 and 2011 and increased web traffic to www.visitdecorah.com.



ISU students Austin Quackenbush and Deepak Premkumar conducted the analysis under the guidance of Peter Orazem, University Professor of economics; and Georgeanne Artz, a visiting assistant professor of economics in the College of Agriculture and Life Sciences.

"If there's one thing that people complain about in Iowa other than the weather, it's that there aren't enough of these cultural amenities," Orazem said. "And so Vision Iowa was a way to enhance that, and the state paid about 20 percent and the local communities had to come up with 80 percent [of the cost of the amenities]."

"We found that we get this significant bump up in retail sales from these amenities," he continued. "And oddly enough, because the state gets five out of every seven cents in sales tax, the state atypically benefitted from these programs because they only paid a fifth of the cost. The state's return in constant dollars -- these are inflation-adjusted dollars -- was 9.2 percent a

year. You can't do better than that. Over this period of time, that's one of the better investments one could have ever seen."

Iowa retail sales data

The ISU researchers used data from the Iowa Retail Sales and Use Tax Reports, published annually by the Iowa Department of Revenue and Finance; the Bureau of Labor Statistics; and specific Vision Iowa projects from the Iowa Department of Economic Development in their analysis. Orazem says the analysis only reflects data through 2008 because the state changed how it reported sales tax data in 2009.

Surrounding communities benefit too

Their report found that even the counties around the new Vision Iowa projects also saw a small increase in their sales revenue after the new amenities were built. Orazem says that's even further evidence that Vision Iowa was a "win-win" for both the state and local communities that benefited from the projects that were funded.

"What's interesting is here's a public policy where people are building amenities, and because the communities had to put up the bulk of the money, they ended up being good projects," Orazem said. "And there are reasons why Iowa ought to have programs like this to help local areas develop entertainment, recreational and cultural attractions; spaces that help benefit the public as a whole, but also make the area more attractive -- both to visitors, or to new residents."

Source: CenStates Travel and Tourism Association and Iowa State University