



# California State Parks; Economic Impacts



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# Importance of CA State Parks

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## 1. Provides Healthy Recreation

- 5,100 miles of trails, 14,500 campsites

## 2. Protects Natural Resources

- 300 mi of coastline, 50% of all rare habitat types

## 3. Preserves Historical Riches

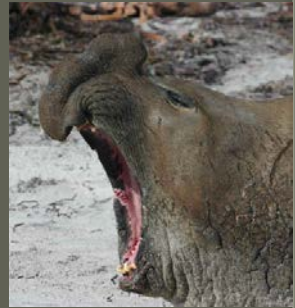
- 51 historic parks, 1,000's Native American sites, 24 Nat'l Historic Landmarks

## 4. Showcases Our Cultural Diversity

- Tells the California story, our legacy

## 5. Generates Significant Economic Impact

- More on this



# California State Park Visitation

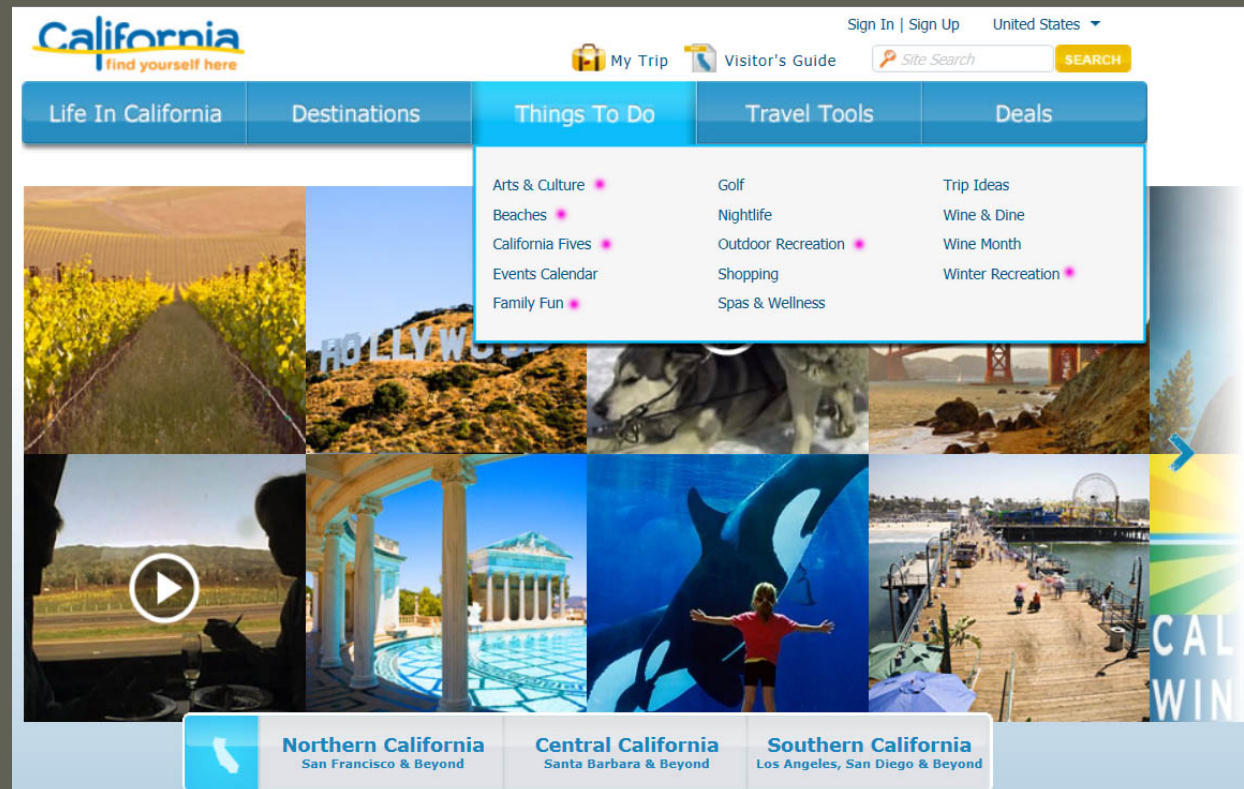
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- Total CSP visitor attendance FY 2009/10 :  
**65,500,000**
- This level of total visitation is:
  - More than Disneyland
  - Equivalent to  $\frac{1}{4}$  of all National Park Visits in US
- A 2002 survey\* of over 9,000 CSP visitors found **12% came from outside CA**







# CA State Parks Partners In State Tourism Promotion

- State Park vacation trip types are featured prominently on CTC homepage, *Things To Do*





# State Parks Impact As Much As 67% Of CTTC's Targeted US Audience

	US	CA	CA Index
Family Trips 	18.9%	24.4%	129
Adult Entertainment	19.2%	21.3%	111
Passive Outdoors 	18.1%	15.5%	86
Adult Indulgence	13.0%	14.0%	108
Cultural Travelers 	16.5%	13.9%	84
Outdoor Adventure 	14.3%	10.9%	77

- A primary slogan for the CTTC is “California has something for everyone.”
- CA State Parks reflect that better than do National Parks in CA
  - Especially historic and cultural state parks

# State Park Visitors Spend On More Than Just Entrance Fees

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- Visitors to CSPs spend money for a wide range of items and in a variety of locations
  - 42% of total spending is in the park and local community
  - 58% outside the local area
- Average 2009 CA State Park visitor groups spent...

# Average 2009 CSP Trip Spending Per Group By Type

<b>Expenditure Type</b>	<b>In Park and Nearby Community</b>	<b>Outside Park and Nearby Community</b>	<b>Average Spending Per Group/Trip</b>
Lodging, Camping	24.01	18.28	42.29
Food and Beverages	18.61	13.76	32.38
Supplies, Groceries	21.72	32.30	54.02
Transportation, Gas	18.65	48.29	66.93
Recreation & Other Purchases	6.77	9.07	15.84
<b>Total Avg. Spending</b>	<b>89.76</b>	<b>121.69</b>	<b>211.46</b>

Source: Rolloff et al, 2009. Per day spending extended by 3.7 group size.

# Spending Varies By State Park Visitor Residence

- One study found - CSP non-resident groups spent on average \$684.17 per trip, versus \$211.05 by residents\*
- 2011 study determined average trip spending for groups who visited any park was double (\$1,095 vs. \$594 per party), compared to all visitors to California\*\***

\* Rolloff et al, 2009

\*\* Mishell, 2011





# Total State Park Visitor Economic Impact

- CSP visitor spending in park and local communities
  - **\$ 2.6 billion** (King 2002)
  - **\$1.8 billion** (Rolloff et al 2009)
- Total spending by non-resident CSP visitors in CA
  - **\$1.7 billion** (Rolloff et al 2009)
- Additional sales & output in local communities in CA
  - **\$6.6 billion** (King 2002) (\$1.9 billion in NY state study)
- An estimated **100,000 jobs** are supported (King 2002)



# Return On Investment For State

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- 14.6% of CA State Parks 2009/10 budget (\$123mil) came from the state General Fund
- State tax revenue is generated from CSP visitor spending
- Estimated total **return on investment** to CA from state park visitor spending
  - **\$2.35:1** (King 2002)
  - **\$2.46:1** (Rolloff et al 2009)
- Summary: The general fund investment is more than covered by additional tax revenues

# The Flawed Entrance Fee Argument

- Some have argued that entrance fees must cover all CSP operating costs.
- But this is as flawed as saying entrance ticket sales at Disneyland must cover all their operating expenses
  - No theme park can survive on entrance ticket sales alone
- CSP visitors spend on much more than entrance fees and this enriches local communities and the state treasury



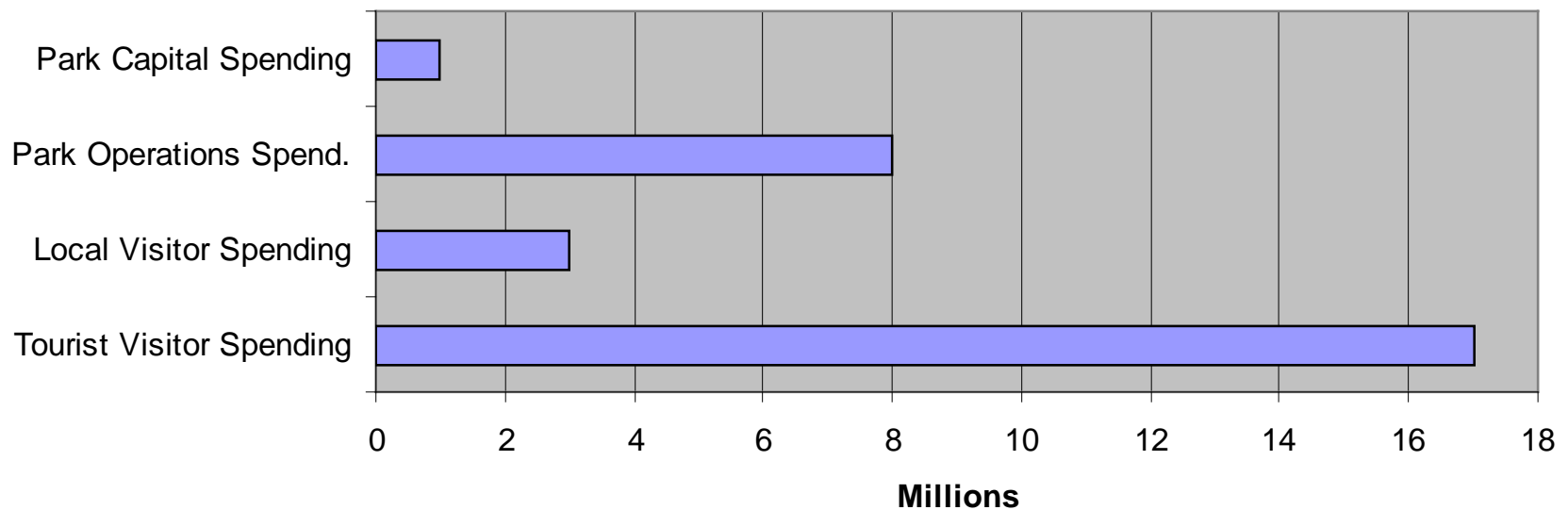
# An Extraordinary Large Economic Impact on Rural Areas of California

- CSP operation and capital spending can have a significant impact on smaller rural communities
- CSP generated **tourism is by far largest CSP \$ impact**
  - Tourism is first or second largest employer in many counties
  - State Parks are often top tourist attractions in these rural areas
- Closing a popular state park in rural area could have an extraordinarily large negative impact on that area
- Here is why
- Typical economic impact of a state park.....



# State Park Related Economic Impacts To Local Community Come From Several Sources

**Average Economic Effects of State Park Related Spending**



Source: Minnesota State Parks, 2005



# Examples of Economic Impact of State Parks on Rural Communities

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- ◎ **City of Moro Bay** (Hendricks et al 2002)
  - **Morro Bay State Park** - 230,000 campers over 2 years contributed \$12 mil to the city
- ◎ **Lake County** (Rolloff et al 2009)
  - **Anderson Marsh and Clear Lake State Park** – Over 143,000 visitors and \$8.2 mil to local economy
- ◎ **San Luis Obispo County** (Hendricks et al, 2008)
  - **Oceano Dunes SVRA**- \$70.1 mil impact on surrounding cities
- ◎ **Del Norte County** (King 2002)
  - **Del Norte Coast Redwoods State Park**- 60,439, with \$1.7 mil. economic impact on county

# Funding Alternatives For Preventing State Park Closures

There are alternatives for funding CSPs

1. **Restore state funding, find savings elsewhere**
  - CSP have one of the best returns on investment
2. **Reduce CSP operating costs** - partnerships
  - **Nonprofit “friends of” organizations** (common)
  - **Commercial concessionaires** (done now for maintenance and ops.)
  - **Cities, counties, districts and nat’l parks** (share responsibilities)
3. **Bring in more revenue**
  - Private sector funds and builds more **profit making facilities in CSPs** (conf. centers, inns – Asilomar)
  - Model funding after Cal Travel, **private industry partnerships**
  - **CSP license plates** for capital improvements
  - State Parks **capital improvements bond**
  - **Surcharge on outdoor recreation equipment & sporting goods sales**



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● Thank you

# Sources of Information

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# Number and Locations of CA State Parks,

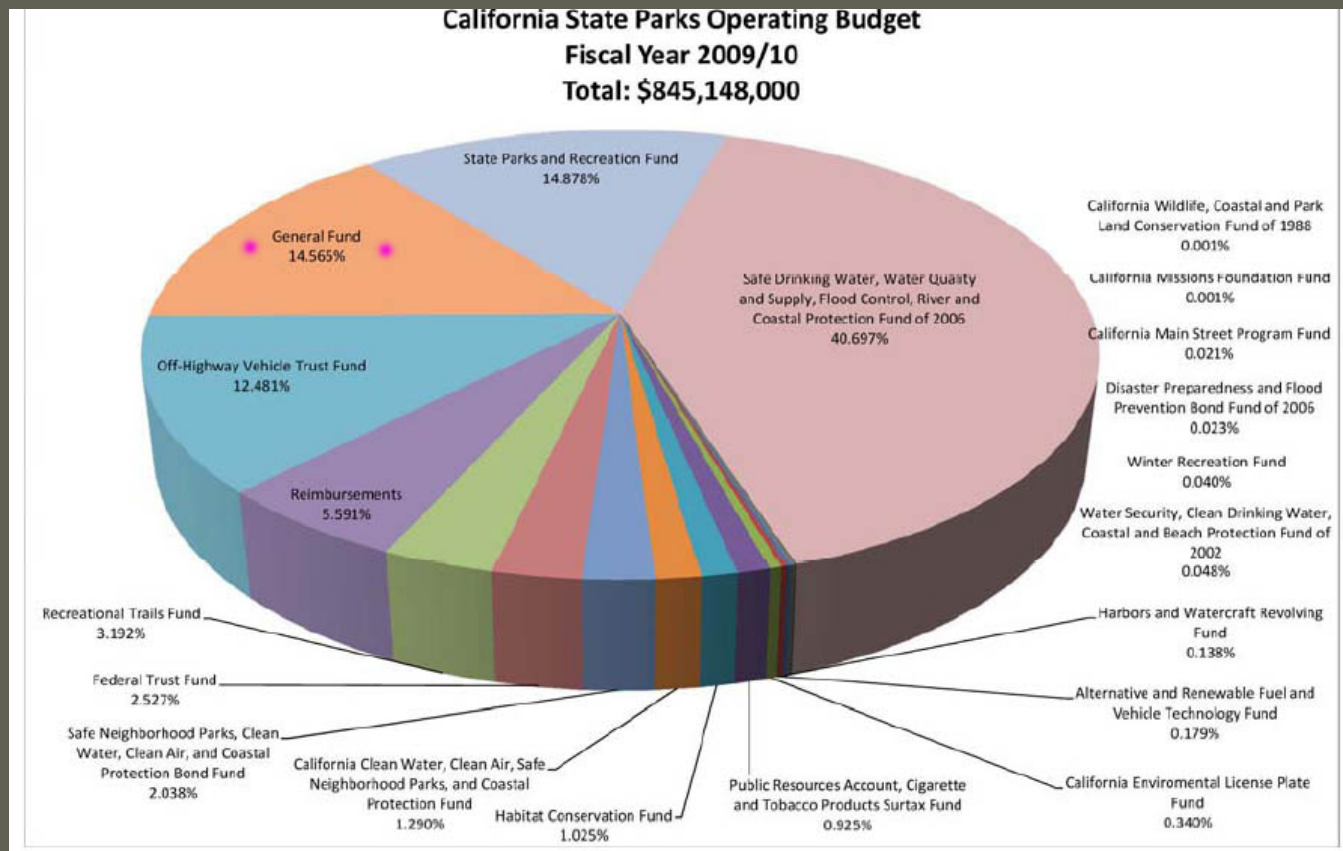
- 278 California State Park Units (CSP)
- Covering 1.5 million acres
- One of largest state parks systems in US
- Large variety of units
  - Ano Nuevo State Reserve
  - Hearst San Simeon State Historic Monument
  - Bolsa Chica St. Beach
  - Marshal Gold Discovery St. Historic Park





# CA State Parks 2009/10 Budget and the State General Fund

- Only 14.6% of CA State Parks 2009/10 budget (\$123mil) came from the state General Fund



# 70 California State Park Units Are Slated For Closure In 2011

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Who Will Suffer From State Park Cuts and Closures?

- This will adversely impact our citizens, cities, businesses, natural and cultural resources and the economy
- But three groups will disproportionately suffer the most from CSP budget cuts
  - The CSP employees/families who'll lose jobs
  - Rural areas where CSPs are the major attraction
  - And.....



# Our Children

