

RAIL-TRAILS AND SPECIAL EVENTS: COMMUNITY AND ECONOMIC BENEFITS

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Abstract: This paper discusses community and economic benefits associated with two recreational bicycle special events held on the Pere Marquette Rail-Trail (PMRT) in Midland County Michigan during the summer of 1999. One event was an annual ride to fundraise for the Rails to Trails Conservancy of Michigan. Approximately 1,800 participants rode in the event which included two days of riding on the Pere Marquette Rail-Trail. Overall the event produced \$207,000 of direct spending by travel parties in Michigan. The second event was the Midwest Tandem Bike Rally, an annual event staged in a different location each year over a weekend. In 1999, Midland was selected as the site and attracted 550 tandem bicycle teams. Overall the event produced \$260,000 of direct spending by travel parties in Michigan. The two events brought visitation to Midland that otherwise would not have occurred and for 25% of both events' participants, the Pere Marquette Rail-Trail was the primary draw to ride participation. The communities along the trail benefited from the exposure as over three-quarters of the participants were riding the trail for the first time. Further, the majority from both events indicated they were likely to return to the Pere Marquette Rail-Trail and county on a future trip. Discussion and implications of this research includes: (1) ways of maximizing economic impact through fee structure and overnight accommodation arrangements, (2) the importance of Rail-trail facilities to draw visitors to an area, and (3) how residential trail use displacement can be minimized during recreational bicycle events.

Introduction

Typically, research on trails developed from abandoned rail road right of ways, herein referred to as rail-trails, has focused on the use and benefits by local residents (Moore, Scott & Graefe, 1998; Mowen, Graefe & Williams, 1998). However, such facilities also attract visitors from beyond the local area, thereby contributing to local economies. For instance, Schutt (1998) showed that the use of the Bruce Trail in Ontario Canada was primarily by tourists (67%) and that many stayed overnight near the trail during the course of their trail use. Special trail-related events are also instrumental in attracting tourists. These events may be held using existing trail facilities and the tourism infrastructure (i.e., restaurants, hotels, bike-related retail, other retail).

The purpose of this paper is to report on and discuss community and economic impacts of two recreational bicycling events to a local economy in Michigan. These impacts will be reviewed according to community and economic variables and explained across both short-term and longer-term effects.

Description of Research Study, Rail-Trail and Two Special Events

A group of faculty from the Department of Park, Recreation and Tourism Resources at Michigan State University is conducting a two-year study of a single rail-trail in Michigan. The goal is to document some of the economic, social and community benefits such facilities provide. The Michigan Department of Transportation and Michigan Agricultural Experiment Station are the primary financial supporters of the research project. The project includes a group of advisory partners with representatives from the National Park Service's River and Trails Assistance Program, Michigan office of the Rail-to-Trails Conservancy, Michigan Department of Natural Resources, Michigan Department of Transportation, and the Midland and Isabella County Park and Recreation departments. These partners contribute in-kind and financial assistance and meet on a quarterly basis to suggest research direction and discuss applications of results. The focus of this research is the segment of the Pere Marquette Rail-Trail (PMRT) located in Midland County, Michigan. Midland County's population is approximately 80,000 people and is world headquarters to Dow Chemical Corporation. Initially developed in 1993, the 22 paved miles of the PMRT in Midland County connect three communities, including several public park and recreation facilities. A six-mile extension into the adjacent county is under construction, and due to open in the summer of 2001.

In general, the park and recreation departments of Midland County and the city of Midland allow limited use of the PMRT for special events. They view the trail as a public facility that should be open to all. Hence, events such as a bike race, that might otherwise displace normal use of the trail or endanger users, are generally not permitted. Two bicycling events that fit the special event use criteria were studied. The first is an annual event called the Michigander, organized by the Michigan Office of the Rails-to-Trails

Conservancy to promote recreational cycling and to raise money. The second is the Midwest Tandem Bike Rally, which is staged at a different Midwest location each year and promotes tandem cycling and raises funds. Both events used the PMRT during the summer of 1999.

Methods

A mail survey was used to collect data regarding the two special events. The Michigander was held in July 1999 and attracted 1,800 participants. Half of the participants rode the two-day event which primarily took place in Midland County, one-third rode six days and the remainder rode the full seven days, the longer time segments traversed the central part of Michigan. From the registration list (excluding individuals under the age of 18 years old), 600 participants were randomly selected. After a Dillman modified survey procedure including a reminder postcard and a second mailing, a 71 percent response rate (n=424) was achieved. The Midwest Tandem Rally was held over the Labor Day holiday in 1999 and attracted 1,100 participants or 550 tandem teams. Six hundred individuals from the registration list were randomly selected to receive the survey. Using the same mailing procedure as described above, a 75 percent response rate (n=452) was achieved.

The mail questionnaire consisted of four pages and included 27 questions. Questions focused on measuring experience levels with the event and the PMRT; whether the event was the primary reason for the trip; the nature of the travel party (i.e., friends) and spending party (i.e., family); spending before, during and after the event; intention to return to the Pere Marquette Rail-Trail and area; and demographics. Economic benefits are illustrated by calculating event spending, measuring the amount of tourism or out-of-county visitation the event yielded, and the potential for future visitation by the participants. Community benefits are illustrated by measuring the proportion of participants who

were introduced to the bicycling event or rail-trail through these two special events.

Results

A demographic profile of the respondents to the two day event is found in Table 1. While a minority (26%) of Tandem Rally participants were from Michigan, a strong majority (95%) of Michigander participants were (Table 1). In both groups, about half of the participants earned \$80,000 or more in 1998 annual household income and the majority were employed on a full-time basis. A minority of Michigander and Tandem participants had children in their household.

Michigander participants were less likely than Midwest Tandem Rally participants to be members of a bicycling organization (Table 2). Of those who were members of an organization, Michigander participants were most likely to be members of the Rail-to-Trails Conservancy while Tandem Rally participants were most likely to belong to a local bicycling organization, followed by the League of American Bicyclists and the Rail-to-Trails Conservancy. The financial commitment of participants in both events to cycling is significant, with Michigander participants averaging almost \$750 and Tandem participants averaging almost \$2,500 per year in cycling related expenditures during 1998. The largest proportion of expenses for both groups was equipment, followed by events/membership fees and repair costs.

When asked about the purpose of their trip that included event participation, almost all participants in both events cited the event as the main purpose for the trip (Table 3). This suggests that the visit to the Midland area would not have occurred if there was no event. Furthermore, 27% of Michigander participants and 23% of the Tandem participants indicated that the Pere Marquette Rail-Trail "highly or moderately influenced" their participation in the event.

Table 1. Demographic Profile of 1999 Michigander and Midwest Tandem Rally Participants

	Michigander (n=424)	Midwest Tandem Rally (n=452)
Residency		
Michigan resident	95%	26%
Nearby states/providences (IN, OH, IL, WI, Ontario)	3%	48%
Other states/providences	2%	26%
1998 Household income levels		
Under \$40,000	10%	9%
\$40,000 to \$80,000	44%	40%
Over \$80,000	46%	51%
Household composition		
With children	40%	26%
Without children	60%	74%
Employment status		
Full-time/self employed	76%	72%
Retired	9%	17%
Other	15%	11%

Table 2. Bicycling Profile of 1999 Michigander and Midwest Tandem Rally Participants

	Michigander (n=424)	Midwest Tandem Rally (n=452)
Membership in bicycling organizations:		
Local group	10%	66%
League of American Bicyclists	5%	30%
Rails-to-Trails Conservancy	29%	25%
League of Michigan Bicyclists	5%	12%
Average annual spending on bicycling		
Equipment purchases	\$478	\$1,860
Repairs	\$80	\$230
Events/membership fees	<u>\$190</u>	<u>\$356</u>
Average total spending on bicycling	\$748	\$2,446

Table 3. Purpose of Trip for 1999 Michigander and Midwest Tandem Rally Participants

	Michigander (n=424)	Midwest Tandem Rally (n=452)
Primarily purpose of trip related to event	99%	99%
Pere Marquette venue influence		
Not much	52%	61%
Some	21%	16%
Moderate	14%	14%
High	13%	9%

On a per person and overall basis, Tandem Rally participants spent more than Michigander participants (Table 4). Excluding the registration fee, Michigander participants and their travel parties spent \$207,000 in conjunction with the event or \$233 per travel party. This amounts to \$100 per person over the course of the event. Of the \$207,000 total spending, half was spent before or after the event and half during the event. Six-day participants were responsible for 50% of the overall spending. The \$81,700 in Michigander registration fees paid to the Michigan Office of the Rails-to-Trails Conservancy provided some funds for the organization's fund raising efforts and for services and supplies to support the ride. Michigander sponsors also arranged camping at locations such as schools, fairgrounds, etc., so many participants did not stay overnight in paid

accommodations. In total, Michigander participants booked an estimated 510 hotel room nights, including 150 room nights during the event.

As for the Midwest Tandem Rally participants, they paid fees for each aspect of their experience (i.e., fee per day of riding, banquet, box lunches, etc.). Since the researchers were not provided the registration fee data paid per participant by the sponsors, we asked this of respondents. Overnight accommodations were arranged separately. Over three-quarters (82%) of the Tandem Rally participants stayed overnight in a hotel, with a small segment camping or staying with friends or family. In total, 1,100 hotel room nights were estimated. Including the registration fee, participants and their travel parties spent \$260,000 in conjunction with the

Table 4. Spending Profile of 1999 Michigander and Midwest Tandem Rally Participants

	Michigander (n=424)	Midwest Tandem Rally (n=452)
Total spending	\$207,000	\$260,000
Proportion of spending		
Before and after trip	50%	15%
During trip	50%	85%
Average spending per party	\$233	\$566
Average party size	2.3	2.5
Total hotel room nights	510	1,100

event or \$566 per travel party (average 2.5 persons). Of this \$218,000 was spent during the event (mostly likely in the Midland area) and \$42,000 was spent in Michigan getting to and from the event. With multiplier effects, the total impact on the state economy is \$390,000 in sales, \$140,000 in personal income, \$222,000 in value added, supporting about eight jobs, mostly in Midland County. These figures assume all of the spending would not otherwise occur in Michigan, as 74% of the participants were out-of-state residents.

The economic impact of these events may extend into the future as 79 percent of the Michigander participants and 54 percent of the Midwest Tandem Rally participants said they are extremely or quite likely to ride the rail-trail again (Table 5). Ninety-four percent of the Michigander participants rated the Pere Marquette Rail-Trail "very good" or "good." The event experience was rated "very good" by 54 percent of the participants and "good" by 36 percent. An even greater proportion of Tandem Rally participants were positive about the rail-trail. Ninety percent rated it "very good" and eight percent rated it "good." The Tandem Rally event was also rated higher than the Michigander, with 71 percent rating it "very good" and 27 percent rating it "good."

Community benefits were measured by the proportion of participants who were introduced to these annual bicycling events or the PMRT through these two 1999 events. The assumption is being made that encouraging participation in outdoor recreation activities like bicycling enhances quality of life. Furthermore, the higher the first-time event participation and Pere Marquette Rail-Trail users show growth in the activity and trail use. Of the participants in the Michigander event, 42 percent were first-time event riders compared to 27 percent of the Tandem Rally participants. Eighty-three percent of the Michigander participants were riding the PMRT for the first time and 91 percent of the Tandem Rally participants were first-time PMRT users.

Conclusions and Implications

This research illustrates a rail-trail offering a compatible, sustainable tourism resource for events that produce positive economic impact to a local economy, while simultaneously serving the needs of local residents. Combined these two recreational bicycling events generated close to \$500,000 of direct spending in the areas where participants rode and stayed overnight. Moreover, our findings suggest many of the participants indicated they would return to visit the area and/or ride the rail-trail, bringing future economic benefits. The results also demonstrate events introduce new people to activities, facilities and communities. Higher levels of trail and community awareness can lead to increased future usage and economic impact.

The results of this study also demonstrate how different events can lead to different levels of economic impact. The Michigander was primarily marketed to and attended by Michigan residents. Therefore, the economic impact was more a redistribution of money rather than new money to the state. The Michigander also generated fewer overnight rooms and local bed taxes than the Tandem Rally as most participants camped in the group camps set up by Michigander organizers. Also, most of the meals were provided by the Michigander sponsor or donated by local groups, so spending on food and restaurants was limited. The Midwest Tandem Rally was shorter in length but more highly concentrated in the City of Midland and Midland County. More hotel room nights, bed taxes and restaurant purchases were generated, as the Rally did not have prearranged group camping and meal options. The Tandem Rally attracted many more out-of-state participants to Michigan, which represents "new" money. Another factor in calculating economic impact is to consider how the registration fee is being spent. While the Michigander had a higher registration cost it appears that a greater percentage of the budget was spent out of the Midland County area on bulk event supplies and assisting the Conservancy in their programs.

Table 5. Likelihood of Returning to Area and Satisfaction with Event and PMRT for 1999 Michigander and Midwest Tandem Rally Participants

	Michigander (n=424)		Midwest Tandem Rally (n=452)	
	<u>PMRT</u>	<u>Midland County</u>	<u>PMRT</u>	<u>Midland County</u>
Likelihood of return visit				
Quite likely	50%	54%	15%	12%
Extremely likely	29%	23%	39%	39%
Quite unlikely	17%	19%	36%	37%
Extremely unlikely	4%	4%	10%	12%
Satisfaction level	<u>Trail condition</u>	<u>Experience</u>	<u>Trail condition</u>	<u>Experience</u>
Very good	82%	54%	90%	71%
Good	12%	36%	8%	27%
OK	4%	8%	1%	2%
Poor	1%	2%	0.5%	0%
Very Poor	1%	0%	0.5%	0%

Local entities incurred some costs to host these events. Local bicycle groups and the local convention and visitors bureau had expenditures in planning and marketing the events. It is not known if this resulted in additional memberships for the bicycle organizations. The convention and visitors bureau fulfilled their mandate to increase hotel occupancy using bed tax money for event marketing. The City of Midland and Midland County Parks and Recreation Departments coordinated (and paid for) police and park maintenance to service both events. Again, the image of Midland as a quality destination to visit or place to live is an intangible value that may more than compensate for these expenditures.

A final note is that these events often require a park administration to draft and pass rules that suggest how events can use the facilities. These rules should be focused on maintaining the facility and allowing continued public use during the event. This can promote positive interaction among visitors and locals and safeguard the resource for future local use and major events. We learned of no problems

or conflicts that would suggest these two events caused harm to the community. On the contrary, this study provided quantitative evidence that special events held on rail-trails produce positive economic and community benefits.

References

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