

What's A River Worth?

DRBC RFAC Meeting
Lake Wallenpaupack Environmental Learning Center - Hawley, PA.
December 3, 2015

**Upper Delaware Cold Water Fishing & Boating Industry
Economic Impact Study**

What's A River Worth?

A silhouette of a person fishing with a fly rod against a sunset sky. The person is on the left, casting the line which forms a large arc across the sky. The sky is a mix of blue, purple, and orange. The background shows a dark silhouette of a hill or shoreline.

**Upper Delaware Cold Water Fishing & Boating Industry
Economic Impact Study**

What's A River Worth?

Cooperators and Funders

Delaware County Department of Economic Development
and Friends of the Upper Delaware River

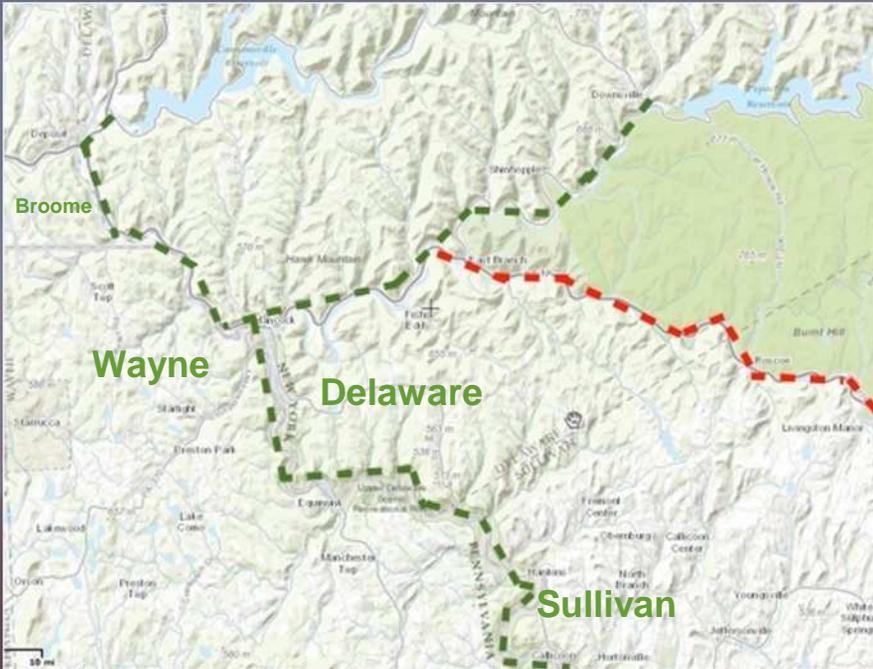


Town of
Hancock



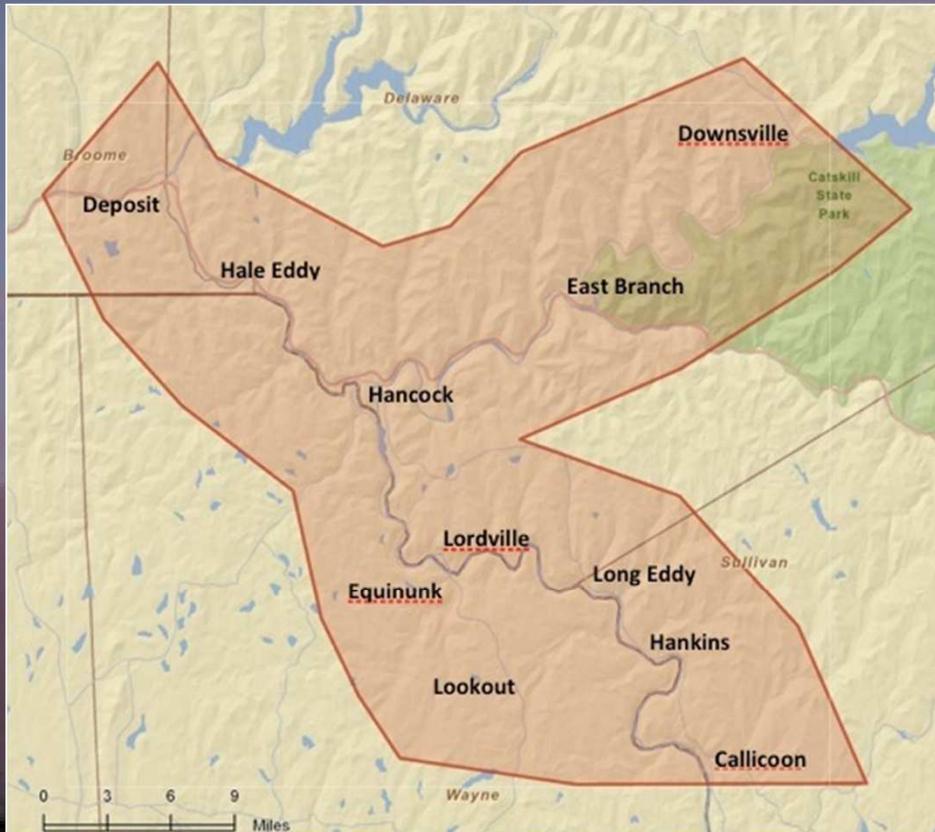
Upper Delaware Cold Water Fishing & Boating Industry Economic Impact Study

What's A River Worth?



- **Direct** economic contributions of cold water fishery today
- **Indirect** benefits (e.g., 2nd home impacts)
- Impacts of **release** regimen on fishing industry economy
- **Potential** economic **gains** from more **consistent** release regimen

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- 28 miles of main stem (Callicoon to Hancock)
- 33 miles of East Branch (Hancock to Downsville)
- 17 miles of West Branch (Hancock to Deposit)
- **78 miles of cold water fishery** impacted by **releases** from **Cannonsville and Pepacton** reservoirs

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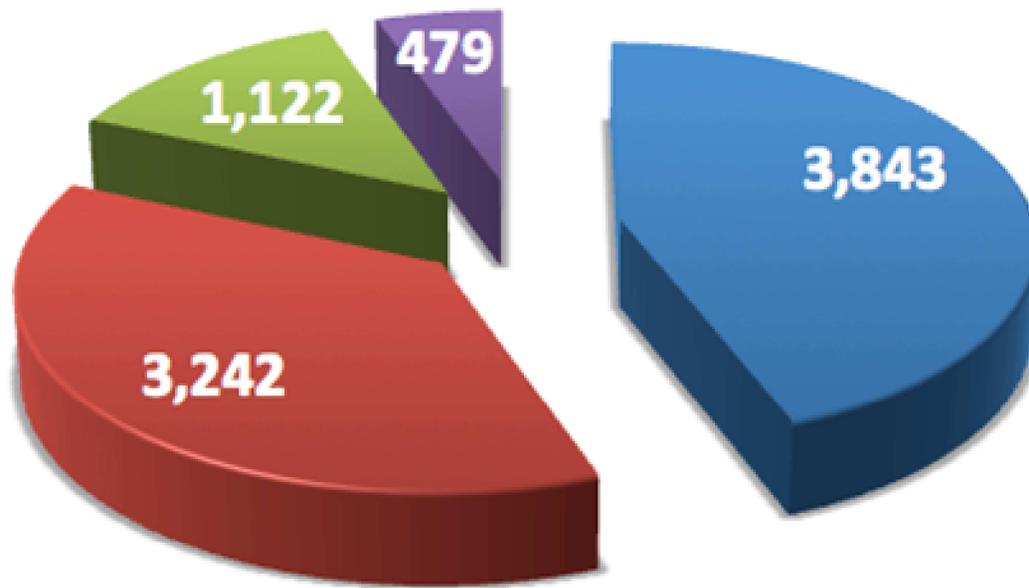
Impacted Area Business Summary

NAICS Codes	Businesses		Employees	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing & Hunting	53	7.3%	113	1.9%
Food & Beverage Stores	12	1.7%	75	1.3%
Gasoline Stations	3	0.4%	13	0.2%
Sport Goods, Hobby, Book, & Music Stores	9	1.2%	19	0.3%
Miscellaneous Store Retailers	21	2.9%	43	0.7%
Arts, Entertainment & Recreation	13	1.8%	40	0.7%
Accommodation	25	3.5%	126	2.1%
Food Services & Drinking Places	33	4.6%	97	1.6%
Total	169	23.4%	526	8.8%
Total of Potentially Impacted Businesses	169	100%	526	100%

Source: Copyright 2013 Dun & Bradstreet, Inc. All rights reserved. ESRI Total Residential Population

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Impacted Area Housing



■ Owner-Occupied

■ Seasonal/Recreational

■ Renter-Occupied

■ Other Vacant Homes

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Expenditures Per Day/Trip

- US Fish & Wildlife (2001) - \$53/trip (2010 \$'s)
- University of Minnesota (1990) - \$41.25 (resident), \$22.03 (non-resident)
- US Fish & Wildlife Shad Study (1986) - \$25.50 per trip
- Cornell University (1981) - \$56.70/day/group (all recreation)
- NPS River Study (1989) - \$19.42 (all river recreation)
- NPS Money Gen. Mod. (1997) - \$70.72/lodging, \$43.95/meals (all travel)
- North Carolina Trout Study (2009) - \$103/day
- University of Minnesota (2002) - \$29.37/day at home & \$56.57 away
- US Fish & Wildlife (2011) - \$55/trip
- NYS Anglers Survey (2007) - \$28/trip residents/\$90/trip non-residents

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Other Key Economic Facts

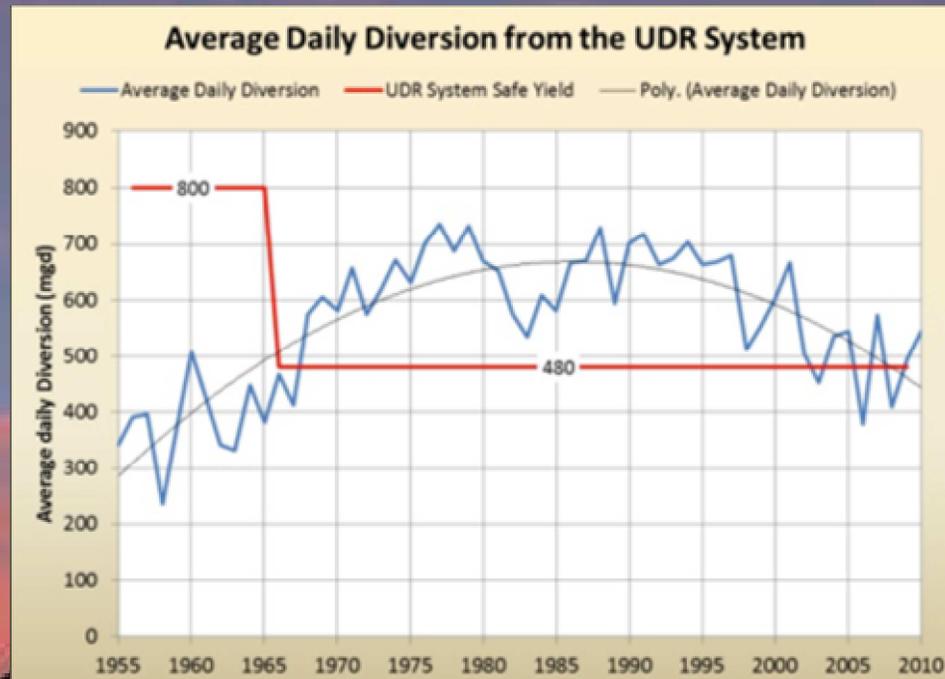
- Fresh water anglers in New York spend roughly **16 days per year fishing** and spend approximately **\$879 per year**. Roughly 20% each is spent on lodging, food and transportation (gasoline), with the remainder going for other supplies and services.
- Some **89% of anglers** come from **metro areas**, and **38%** come from **large metropolitan areas such as New York City**. **Fishing** is also **the primary reason** visitors to the Delaware River region head to Delaware County.
- There are direct, indirect and induced economic impacts from spending on fishing. **Multiplier effects** can be segregated into these and other categories and range from a factor of **1.30 to 2.53**. **NPS estimates 1.84** for gross output on a local basis and 2.01 on a statewide basis.

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(Based on existing data sources before adjustments for unique value)

Current Estimated Non-Property Value of Local Fishing Economy				
	Estimated Angler Days	Estimated Expenditures at Location	Indirect & Induced Value (Local)	Total Value
New York				
East Branch	56,152	\$1,917,912	\$1,611,046	\$3,528,958
West Branch	96,365	\$3,291,416	\$2,764,790	\$6,056,206
Delaware River	42,739	\$1,459,766	\$1,226,204	\$2,685,970
Total New York	195,256	\$6,669,094	\$5,602,039	\$12,271,134
Pennsylvania	139,104	\$4,751,182	\$3,990,993	\$8,742,175
Totals	334,359	\$11,420,277	\$9,593,032	\$21,013,309

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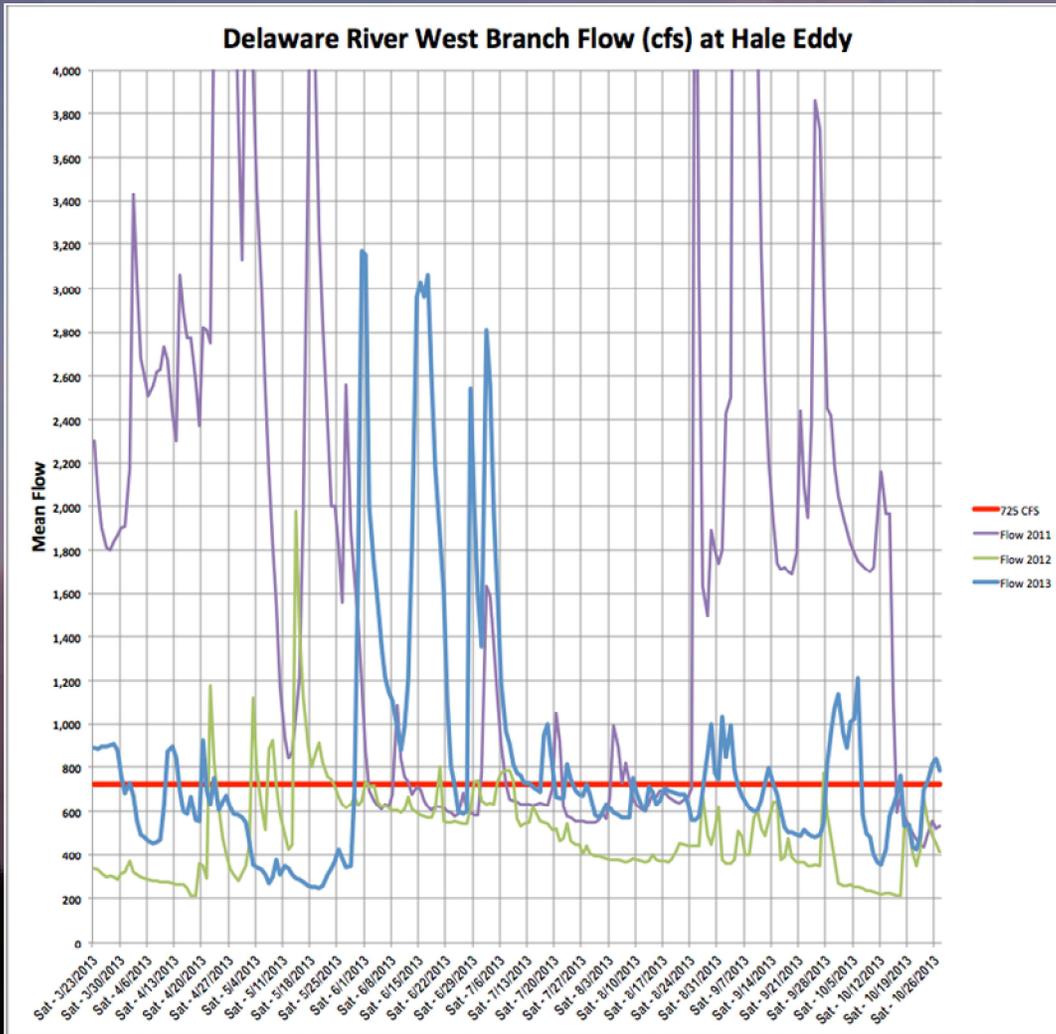
Current fishing economy generates gross output of **\$21 million**. Net present valued over 20 years at a 5% discount rate, this represents a **\$261.9 million** value with a minimum of **another 25% or \$65.5 million** of value to be had from consistent reservoir water releases.

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Impacts on Property Values

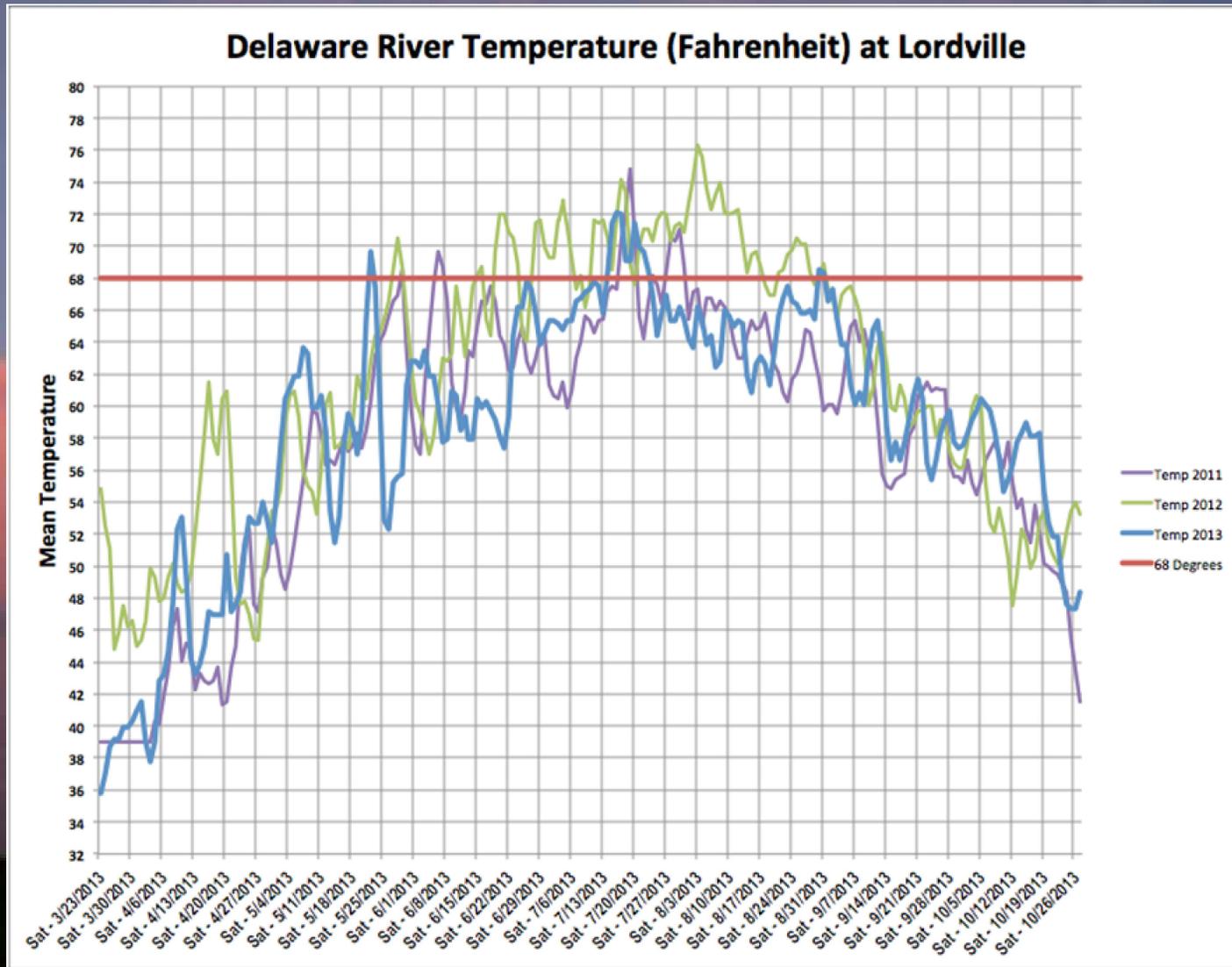
- **3,242 or 37% of all housing** units in the impacted area are **second homes** and these are occupied by households **focused on recreation** as a pursuit while staying in the area. Housing units within the impacted area have a current estimated average value of \$115,152 according to ESRI.
- Second home value is relative to recreational use, and **NPS data indicates 29.2%** of those headed to that portion of the river between Callicoon and Hancock were there to fish, indicating the **947** of 3,242 second homes in the impacted area represent a total value of **\$109.0** million attributable to the fishing sector.

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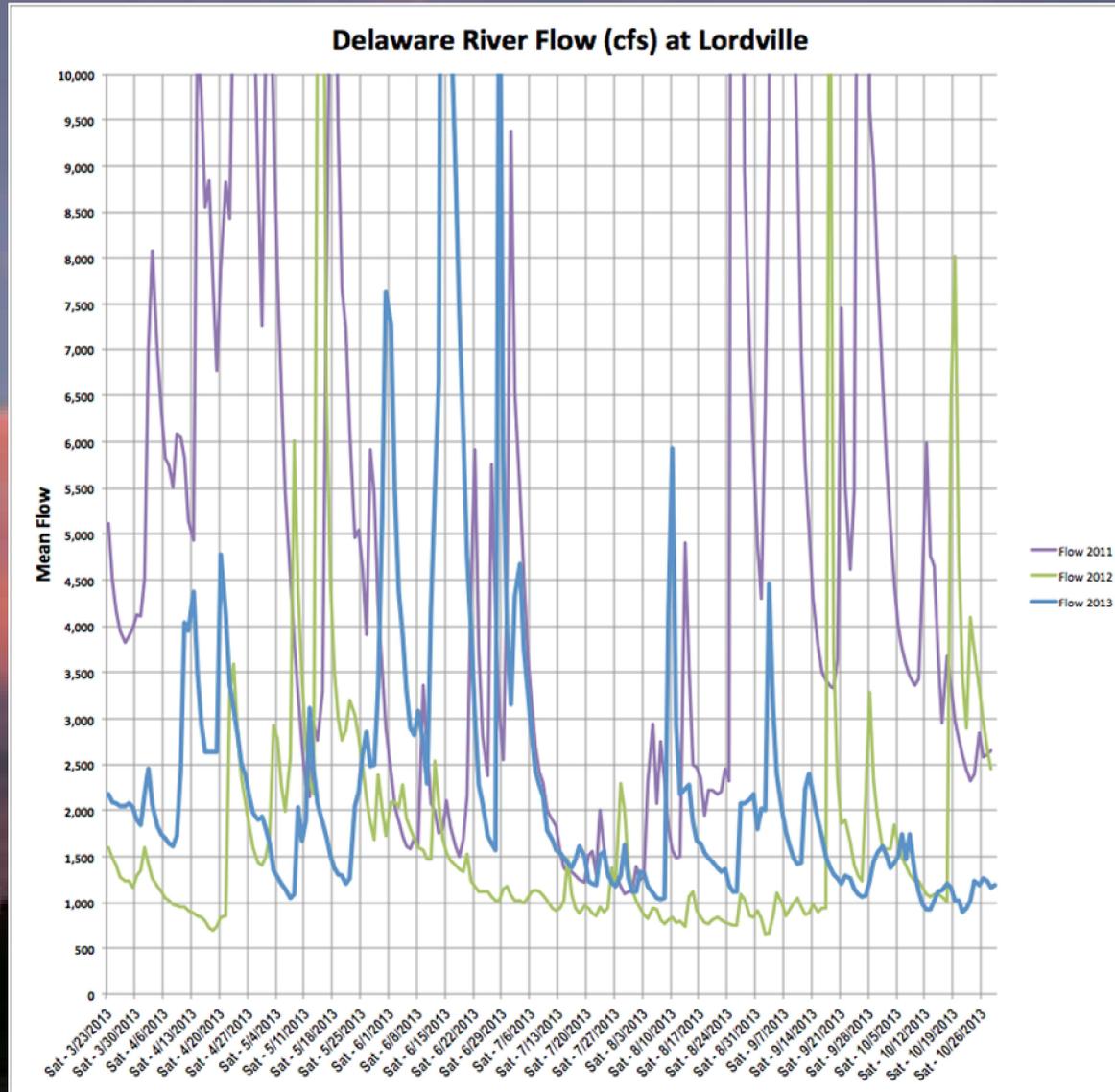


There were 15 weekends in 2013, 26 in 2012 and 3 in 2011 during which the weekend flows were lower than 725 cfs or immediately preceded by such low flows that would lead anglers to expect poor weekend fishing conditions.

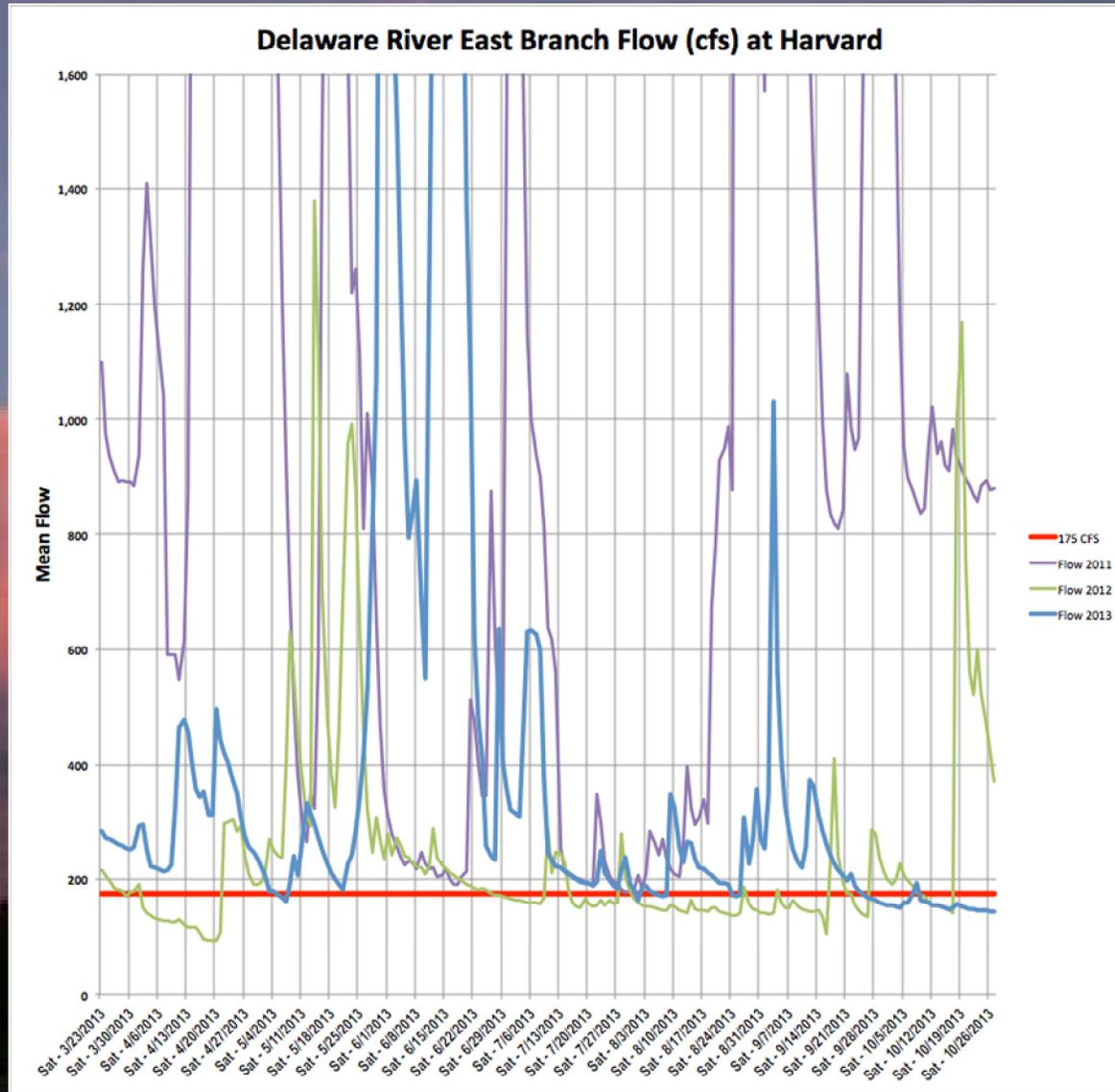
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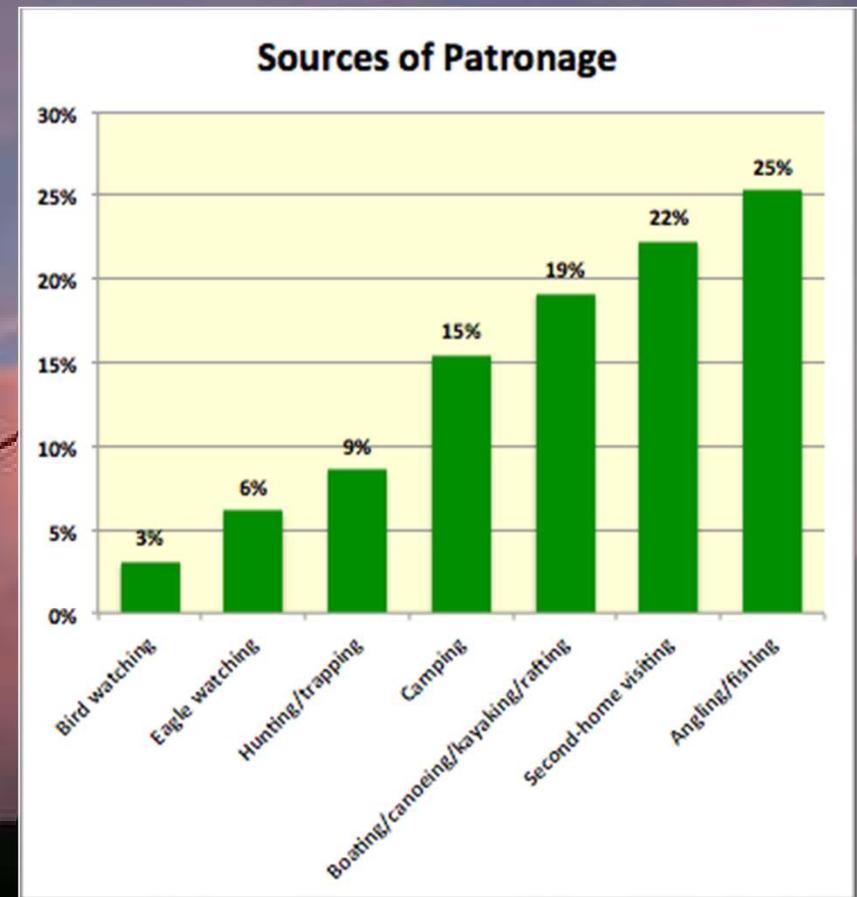
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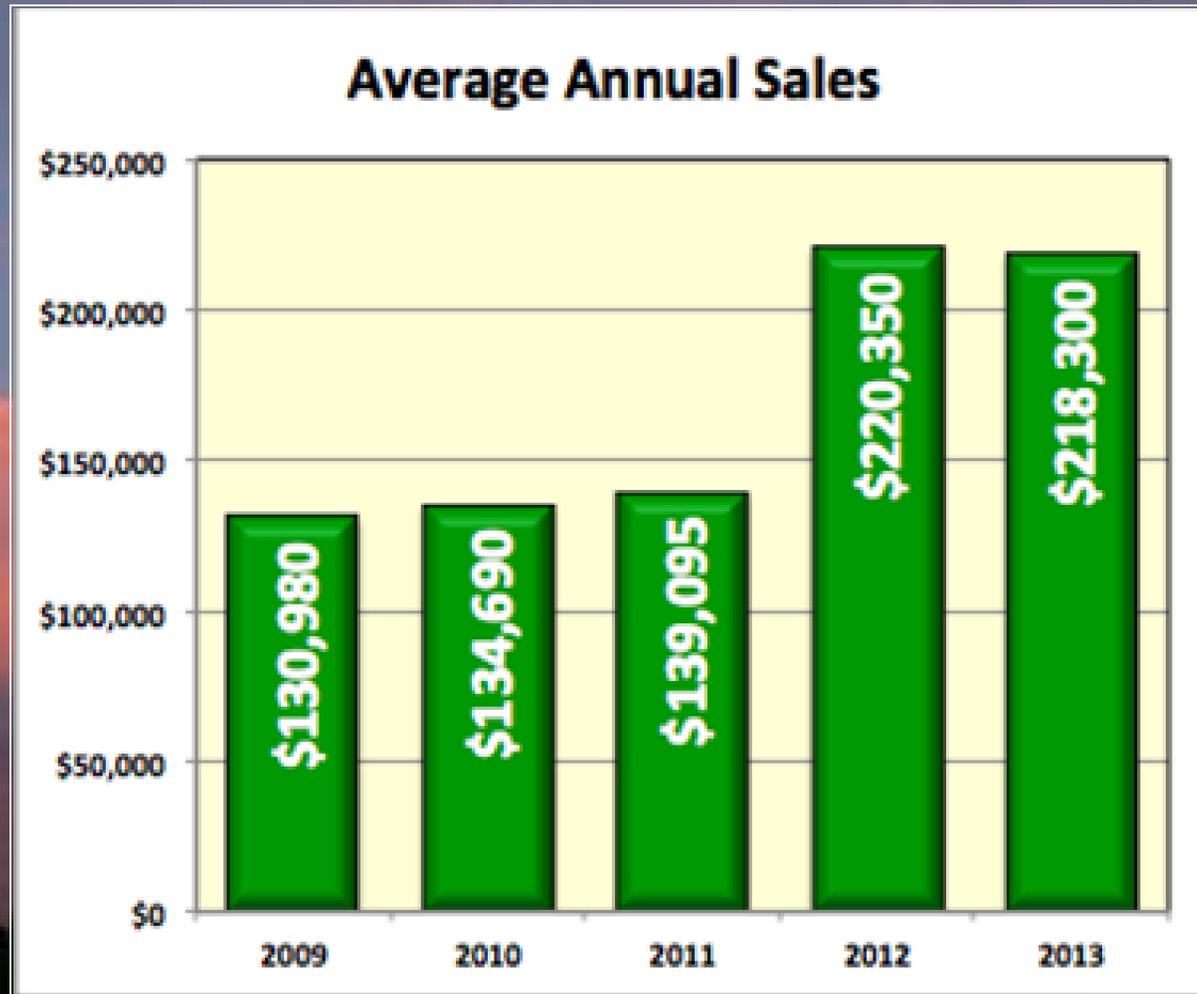
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- The typical business impacted has been in existence approximately 15 years.
- The average amount of land owned by respondents was 116 acres, although the range was wide; from one acre to well over 1,000.
- Businesses were asked “How much of your customer base is related to each of the following activities, in your estimation? That is to say, how many of your customers do you estimate come to the area for these activities and, in the course of their visits visit your business or use your services, regardless the services you provide directly relate to these activities or not?”

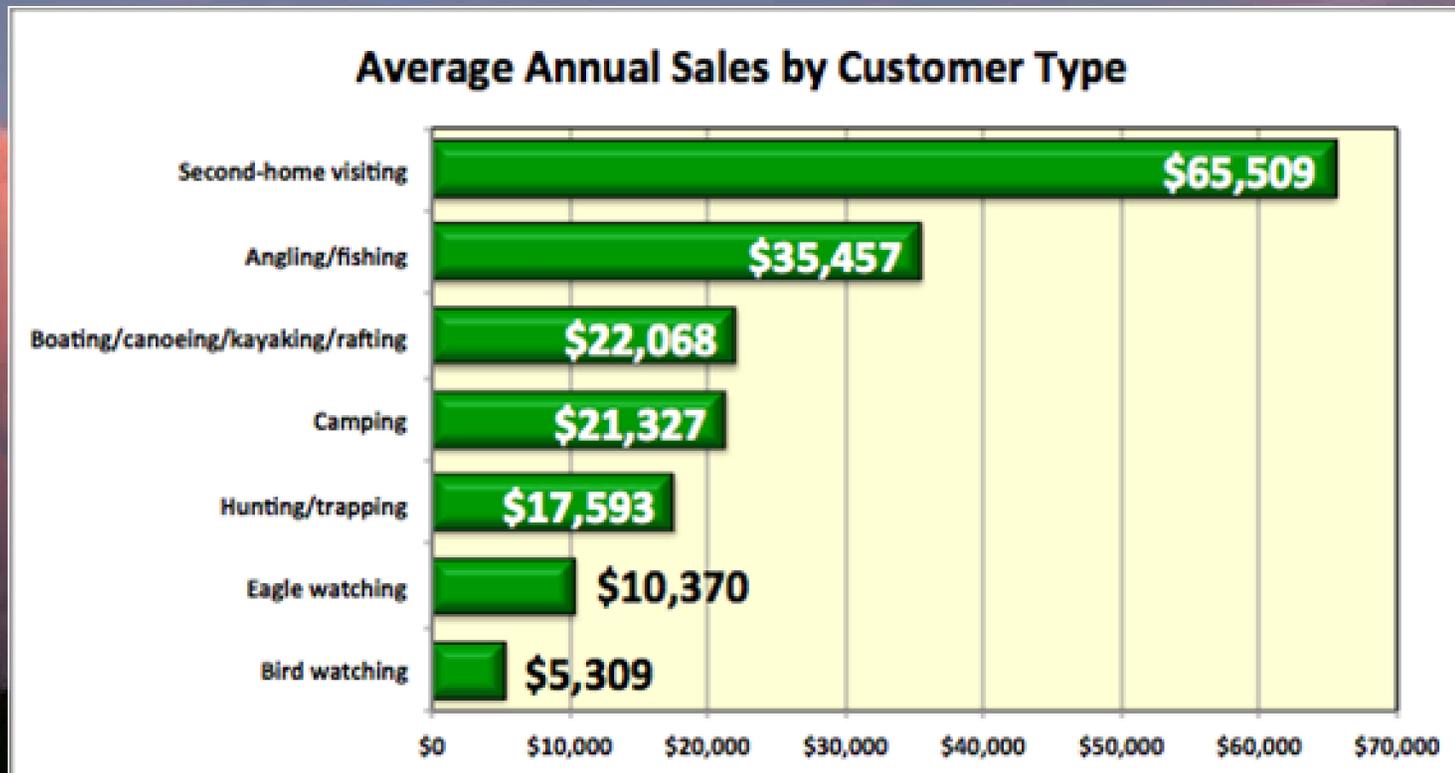


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Sales, allocated by the proportions business respondents attribute to various types of recreation, indicated the following average expenditures per year, fishing and boating accounting for an average total of \$57,525 of spending at each business



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Average Annual Expenses by Category	
Category	Amount
Advertising and marketing	\$7,515
Entertainment expenses	\$1,505
Food and beverages	\$29,467
Insurance	\$9,405
Labor expenses	\$29,160
Maintenance and repairs	\$8,614
Rent (land, buildings or equipment)	\$4,960
Retail goods for resale	\$5,500
Taxes (sales & other)	\$21,409
Transportation/vehicular expenses	\$7,874
Utility expenses	\$5,061
Other and miscellaneous	\$3,904
Total	\$134,372

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Total Capital Expenses, Last 5 Years	
Category	Amount
Buildings	\$53,222
Equipment	\$17,389
Land	\$3,500
Other and miscellaneous	\$28,571
Total	\$102,683

Total Capital Expenses Planned, Next 5 Years	
Category	Amount
Buildings	\$26,429
Equipment	\$37,286
Land	\$84,167
Other and miscellaneous	\$85,929
Total	\$233,810

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- Impacted businesses spend an estimated 83% of their operating expenditures and 82% of their capital expenditures within Broome, Delaware, Sullivan or Wayne Counties.
- Impacted businesses are drawing new dollars into the region with 81% coming from outside it to experience recreational opportunities in the area.
- The typical business employs an average of 6.3 full and part-time workers.

Customers by Region	
Category	Share
Home county	7%
Adjoining counties	12%
Elsewhere in Pennsylvania	11%
Elsewhere in New York	36%
New England	6%
New Jersey	17%
Other states	8%
Other countries	1%
Total	100%

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\$414 million

(and \$274 million more with a little help from our friends)

