

Trails for the People and Economy of Santa Fe



Community, Health, and Economic Benefits of Trails for Mountain Biking and Other Recreation in the Santa Fe Area

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Trails

Trails are part of the human experience and part of our history in New Mexico, from ancient trade routes and roads radiating out from thousand-year-old Puebloan ruins at Chaco Canyon to the Camino Real and Spanish Trail linking our colonial ancestors to the larger world to the trails we hike and bike today. Trails always take us somewhere new, keep us healthy and sane, and keep us excited for what's around the next bend.

In northern New Mexico, a landscape imprinted by at least a thousand years of permanent human settlements, every trail is part of that history and has a story. We are blessed by a stunning and open natural landscape, but also by an absolutely unique and distinctive cultural landscape. Trails help us discover that landscape.

With that rich legacy in mind, this report is intended to make the case for investment in trails in the Santa Fe area to benefit the community, enhance the economy, and celebrate our landscape and history.

Who Mountain Bikes

Outdoor tourism in general and mountain biking in particular continue to grow in popularity among all age groups, economic classes, and ethnicities. No longer an overly technical or exclusive activity just for superathletes, mountain biking has become mainstreamed, growing into one of the most popular outdoor recreation activities in the U.S. As of 2006, more than one in five Americans 16 and older mountain biked—the second favorite outdoor activity among all age groups, outranked only by jogging and trail running¹. And no longer is it just a young person's activity, with 23% of all bike trips taken by people between 25 and 39 years old and 27% by people 40 and older. Due in part to its affordability, there are now more mountain bikers in the U.S. than golfers.

In our state, 23% of New Mexicans participate in biking, either on trails or on roads, and 41% engage in some sort of trail sport.

Anglo-Americans are still by far the predominant group involved in biking, accounting for 77% of those who participate in bike trips. But it is catching on with other racial and ethnic groups. Between 2001 and 2009, biking rates rose fastest among African Americans, Hispanics, and Asian Americans. Those three groups also account for a growing share of all bike trips, rising from 16% in 2001 to 21% in 2009. Hispanics, who make up nearly half of New Mexico's population and are the fastest growing minority in the U.S., are an important part of this growing trend. In 2006, more than three in ten Hispanics surveyed spent at least two days a year biking and/or hiking, and over half expressed medium to very high interest in those activities. In 2009 Hispanics accounted for 9% of all bike trips.

As an anecdotal observation, in my personal experience as an Hispanic outdoor recreationist and mountain biker, I have seen a significant increase in Hispano involvement in those activities around Taos over the last 15 years. At Taos Ski Valley, for instance, most of the brown faces

¹ Unless otherwise indicated, most data throughout this report is from 2006.

used to work in the shops, but now I see far more of them of all ages on the slopes. The same is true of road and mountain biking.

Health Benefits

In a country facing a crushing epidemic of obesity and other accompanying health problems—like heart disease and hypertension, stroke, type 2 diabetes, and certain types of cancer—the health benefits of trails for biking and hiking cannot be overstated. According to the latest study, about 36% of all American adults and 26% of New Mexican adults are obese—that’s about 78 million adults nationwide and 541,500 in our state alone. Obesity rates among children are lower but just as alarming for a population that has less control over what they eat.

In 2008, national medical costs associated with obesity were estimated at \$147 billion. The annual medical costs for people who are obese were \$1,429 higher than those of normal weight. And costs associated with cardiovascular disease are over \$400 billion each year.

Physical activity can cut in half the risk of developing coronary heart disease, and cut the risk of developing hypertension by almost a third. To that end, the World Health Organization recommends walking and cycling as the easiest and most affordable ways to get some exercise. And the benefits are huge. The Centers for Disease Control and Prevention estimates that increasing regular moderate physical activity among the more than 88 million inactive Americans over age 15 might reduce annual national direct medical costs by as much as \$76.6 billion. One recent cost-benefit analysis concluded that every \$1 investment in trails led to almost \$3 in direct medical benefit.

Simply put, investing in trails can only make us healthier.

Economics

There is no question that the economics of trails pays off. Nationwide, biking on trails and on roads contributes \$133 billion to our economy, including \$53.1 billion in retail sales and services and \$17.7 billion in federal and state tax revenues. And it supports nearly 1.1 million jobs across the U.S. Nearly half of that benefit is estimated to be from mountain biking.

In New Mexico, biking contributed a total of \$308.5 million annually in equipment purchases and other travel-related expenditures, while other trail sports contributed an additional \$634.2 million. Non-resident travelers account for about 22% of those totals, while the rest were New Mexicans. These are significant numbers—and this with minimal public investment—but still only about 1.2% of the state’s gross domestic product.

Looking at the entire bundle of outdoor recreation, including biking, hiking, and other outdoor activities, we start to see a truly significant economic impact. Outdoor recreation contributes \$730 billion to the U.S. economy each year, including \$289 billion in retail sales and \$49 billion in tax revenue, and supports nearly 6.5 million jobs. In New Mexico, outdoor recreation contributes \$3.8 billion annually to the state economy, including \$2.75 billion in retail sales and \$184 million in tax revenue, and supports 47,000 jobs. This accounts for 4.6% of the state’s gross domestic product.

As mentioned above, there are now more mountain bikers than golfers in this country. The investment in money and land for golfing may or may not pay off economically, but arguably that investment benefits far fewer people. Imagine the community and economic benefits if local governments invested in world-class trails that would engage more local participation and attract more tourists from other places.

Below are several case studies that describe the costs and benefits of investing in local trails.

Case Studies

There is no shortage of success stories where communities have invested in local trails for exceptional benefit to one and all. Not every study discuss the actual dollar investment for the return—in some cases it may not be easy to parse—but from those that do, it is clear that a little investment can have a tremendous economic return, not to mention the health and other community benefits.

Gallup Project

Close to home, Gallup, New Mexico's High Desert Trail System has become a new destination for mountain biking after investment of about \$10 million in trails and infrastructure improvement since 1999. It has been awarded National Recreational Trail designation and selected as the site for the prestigious 2013 and 2014 Mountain Bike 24-hour National Championships. The long-term payoff of this investment remains to be seen, but so far, formal mountain biking events have generated \$750,000 over the last five years and the trail system attracts 32,000 users a year from outside the community. Applying per-person expenditures from other studies of mountain biking benefits below: if those 32,000 users are just there for a day trip, they are generating at least \$800,000 per year; if staying overnight, it could be as high as \$6.5 million.

Jackson Hole

The Jackson Hole Trails Project involved developing and promoting public trails on Bridger-Teton National Forest lands in Teton County, Wyoming, spanning a total of 153.5 miles. This may be one of the most comprehensively studied trails systems in the country with a report from May 2011. The primary activity on these trails is biking, at 53.4%, with hikers making up 39.1% and trail runners the remaining 8.3%. It is considered a world-class trail system that attracts tens of thousands of users annually. A slight majority of the trail users were local (56.4%), but the rest were visitors from elsewhere. Non-local users spend more money on food, lodging, entertainment, and other services, but local users spent more on direct purchases of bikes. With an estimated \$1.7 million investment over the last ten years, these trails now generate a total of over \$18 million a year in retail purchases. Employee wages and salaries directly related to trail use are another \$3.6 million, with \$1.08 million in total county and state tax revenues. Bike shops and guide services in the community reported between 40% and 236% increase in business over the last five to ten years. This investment worked. But here is a very important point: 63% of the local users surveyed strongly agreed that well-maintained trail systems were important to their quality of life at home; nearly 84% of the non-local users agreed or strongly agreed that well maintained trails systems were important to their decisions for travel destinations.

Moab

The Moab area was discovered early on in the growing popularity of mountain biking and has benefited greatly. In a study of the economic value of public lands in Grand County, Utah, it was determined that mountain bikers in 1998 were generating between \$197 and \$205 per person in economic benefit, or a total of between \$8.42 million and \$8.77 million per year. And they were willing to pay as much as \$1,483 per trip, or a total of \$1.33 million per year. According to Bureau of Land Management data, mountain biking stimulated 313 local jobs in the sparsely populated rural community, for more than \$8.4 million in income in 2007. The even more popular trail use of hiking stimulated another 772 jobs. More than 80% of those bikers surveyed—the majority from outside the Moab area—said they support user fees to help improve management of the area. Overall, tourism and recreation on public lands are the largest economic sector in Grand County, accounting for 44% of private employment. Tax revenue for tourism and recreation in 2009 was \$7.4 million, 16% of total county revenue.

Virginia Creeper Trail

This 34-mile “rails to trails” project in southwest Virginia has become one of the most renowned bike trails in the U.S. In 2004, it was estimated that the Virginia Creeper Trail generated \$2.5 million for the State of Virginia, over \$1.5 million of that spent in the two local counties. At least 27 new jobs were created as a direct result of the trail and local tax revenues increased up to 60% in just five years.

Others

- Raccoon Mountain and Tanasi Trail Systems, TN: day users spent between \$15 and \$50 per day on food and fuel; overnight visitors spent between \$65 and \$100 per day; a majority of users said that trails were a factor when deciding where to travel.
- The Great Allegheny Passage, PA: \$14 million annual revenue while half finished.
- The Mineral Belt Trail, CO: 19% increase in sales tax revenues.
- Mineral Wells to Weatherford Rail-Trail near Dallas, TX: annual revenue of \$2 million.
- Visits to National Forest Service lands primarily for mountain biking generated \$205 million in 2005, 3/4 of that year’s budget for forest and rangeland research.

Destination Santa Fe

Like Jackson Hole and the Tetons and Moab, Santa Fe has well-established name recognition and market appeal for tourists. People know Santa Fe and already have reason to travel here. It would be an easy marketing task to dovetail on that reputation to turn Santa Fe into a world-class destination for mountain biking, in addition to its other attractions. It apparently has already attracted some attention, as it has been selected to host the 2012 Mountain Biking World Summit. That in itself is a golden opportunity worth building on.

Santa Fe and northern New Mexico have the added attraction of being the most enchanted part of the land of enchantment, a region of unique cultural diversity and cultural history, reflected in our landscape of rural villages and pueblos, *acequias* and productive farmlands. Cultural tourism is a burgeoning interest and New Mexico has a wealth of the kind of cultural resources and authentic experiences people crave. We take our unique history and our rural Indo-Hispano and Native communities for granted, but travelers from elsewhere find it fascinating and romantic and are willing to pay for experiences with real people in real communities. As one

example, a new initiative in the region involves urban dwellers paying significant fees to help with the annual *acequia* cleaning in traditional rural villages, which provides revenue for the local community and *acequia*, validates locals' history and culture, provides invaluable cross-cultural exchange, and revitalizes the *acequia* community. These kinds of pursuits could easily be bundled together with biking experiences, the way that travelers can bike from inn to inn in Ireland, Scotland, parts of New England, and other places.

A recent article in the Santa Fe New Mexican discussed the challenge of attracting younger tourists with our aging baby boom population, saying that "if the city doesn't attract more young vacationers, Santa Fe's tourism-dependents economy could suffer in the future." Outdoor and adventure travel could certainly be one way to do that. Baseline economic indicators for Santa Fe specific to biking and outdoor recreation are difficult to find, but we can very roughly project the benefit of a targeted investment in trails for biking and other activities in some economic categories, based on up to 60% percentage increases from the case studies above. Santa Fe city gross receipts in 2011 were about \$2 million for retail sporting goods and \$339 million for accommodations and food services. Outdoor and mountain biking tourism could increase those figures to \$3.2 million and \$542 million, respectively. Similarly, local tax revenue related to those categories could increase from a total of about \$26.7 million to \$42.7 million.

Many sectors and many people in the community benefit directly and indirectly from enhanced tourism, as well as from direct access to more and better trails. Those benefits include health, jobs, economic growth, and tax revenue. The benefits of trails go further than just health and economy, however, to include the opportunity for local people to learn new skills and gain new experiences, which enriches our lives in intangible but important ways. Trail-based outdoor recreation also encourages the protection of open space and inspiring views, habitat and healthy watersheds, which are values that benefit even the general public who never sets foot on the trails.

All this requires some public investment in trail building, infrastructure, maintenance, and marketing. In every case study presented above, investment in local trails unquestionably has paid off or is paying off for those communities. It is an easy calculation.

Ernest Atencio is former executive director of the Taos Land Trust with over 15 years of experience in land conservation and land management and another 19 years working in national parks and leading outdoor trips. He holds a Masters degree in applied sociocultural anthropology with an emphasis in sustainable development.

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