

SUBMITTED TO:

Lewis County Economic Development

Economic and Fiscal Impact

TUG HILL REGION'S SNOWMOBILE ACTIVITY

MAY 2021

Photo Source: Christopher Rinck, Southern Tug Hill Sno-Riders

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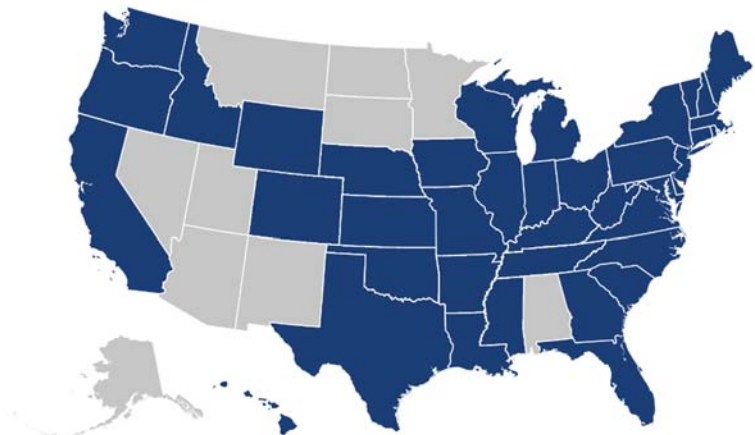
ABOUT CAMOIN 310

Camoin 310 has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin 310 has served EDOs and local and state governments from Maine to California; corporations and organizations that include Amazon, Lowes Home Improvement, FedEx, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to over 1,000 projects in 40 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. We are based in Saratoga Springs, NY, with regional offices in Richmond, VA; Portland, ME; Boston, MA; and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter @camoinassociate and on Facebook.

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EXECUTIVE SUMMARY

New York’s Tug Hill region’s expansive snowmobile trails contribute to the regional economy through visitor spending on lodging, food, entertainment, gas, equipment, and other retail. To quantify the impact of the trails on the region, Lewis County Economic Development, the Tug Hill Commission, Jefferson County Economic Development, Lewis County Chamber of Commerce, Oswego County Tourism, Oneida County Tourism, and Operation Oswego County, Inc commissioned Camoin 310 to conduct an economic impact and fiscal benefit analysis of the snowmobile industry on the Tug Hill region. This study considers the economic impacts, in terms of jobs, wages, and sales, that would not occur but for the snowmobile activity. Fiscal benefits include the property tax, sales tax, and occupancy tax revenue that are generated from this activity.

Snowmobile Users

In total, it is conservatively estimated that there are 34,254 unique snowmobile users of Tug Hill’s trails each year. Of these users, 16,442 are local users and 17,812 are non-local users. In other words, non-local users are visitors who would not be in the Tug Hill region but for the snowmobile trails. These non-local users spend a total of 347,337 days in the Tug Hill region each year and participate in activities beyond snowmobiling, including dining out and local events/festivals.

Economic Impact

Snowmobile users spend money throughout the Tug Hill region’s economy. This direct spending creates new indirect and induced sales, as well as jobs and wages (earnings) throughout the Tug Hill region. In total, 866 jobs, over \$28.8 million in wages (earnings), and nearly \$81.6 million in sales are attributed to snowmobile activity.

Fiscal Impact

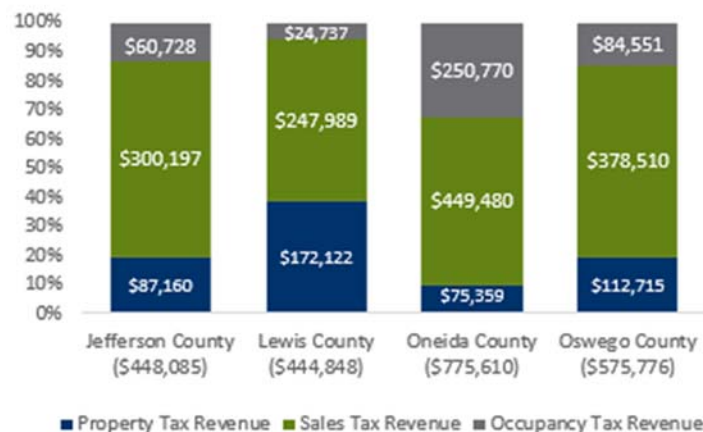
Economic activity associated with the Tug Hill region’s snowmobile users generate new property, sales, and occupancy tax revenue for the region’s counties. Total tax revenue that results from snowmobile activity is estimated to be over \$448,000 in Jefferson County, nearly \$445,000 in Lewis County, nearly \$776,000 in Oneida County, and nearly \$576,000 in Oswego County.

Figure 1
Economic Impact of Snowmobile Trails



Direct impacts are generated by the snowmobile users. **Indirect** impacts accrue through business-to-business spending in the Tug Hill region and **induced** impacts result from employee spending. All impacts would be foregone without the snowmobile trails.

Annual Tax Revenue



INTRODUCTION

Lewis County Economic Development commissioned Camoin 310 to quantify the economic impact and fiscal benefit of snowmobile trails to the Tug Hill region of New York. Each year, the Tug Hill region attracts riders from across the region and beyond thanks to its extensive snowmobile system and plentiful snow. Notably, the snowmobile trails in the Tug Hill region and throughout Jefferson, Lewis, Oneida, and Oswego counties are entirely volunteer maintained – a significant undertaking without which the industry and its associated impacts would not exist.

This study is intended to quantify the impact of the snowmobile users on the Tug Hill region and demonstrate the importance of the snowmobiling industry's importance to the regional economy.

METHODOLOGY

STUDY AREA

The Tug Hill region of New York encompasses portions of Jefferson, Lewis, Oneida, and Oswego counties (Figure 2). The entirety of the four counties represents the survey area of the study. Surveys of snowmobile riders were conducted throughout the counties and data related to snowmobile registrations in these four counties were used to conduct the analysis.

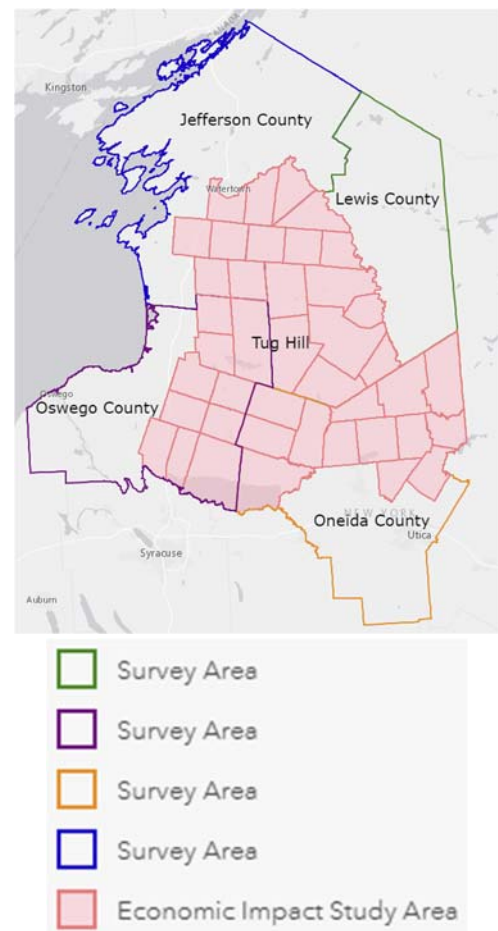
The Tug Hill portion of the counties is the economic impact study area. This analysis calculates the aggregate economic impact of the snowmobile trails on the Tug Hill region as a whole and the fiscal benefit of the snowmobile trails to each of the four counties.

SURVEY PROCESS

Throughout early 2021, a survey was conducted to evaluate the impact of snowmobile user spending on the Tug Hill region. The Center for Community Studies at Jefferson Community College (JCC) developed this survey to gather information related to snowmobile users, including number of visits, spending habits, location of origin, and feedback on the trail network.

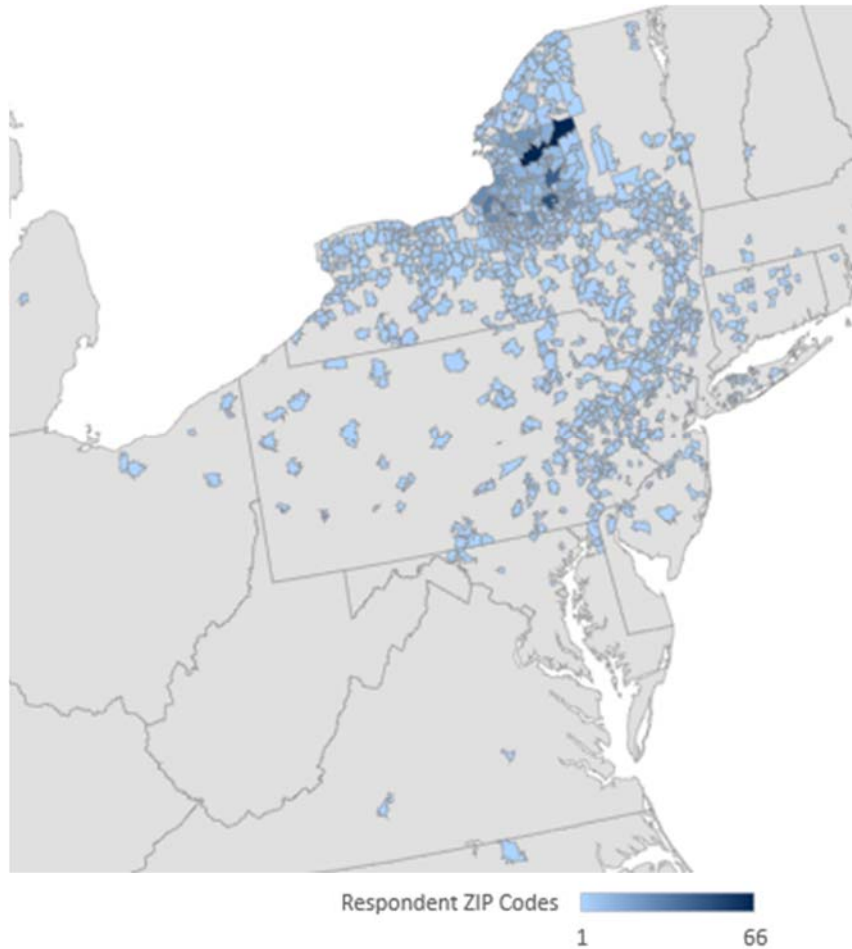
The survey was conducted in three formats: (1) the survey was distributed online via social media; (2) the survey was e-mailed to the members of snowmobile clubs in Lewis, Jefferson, Oswego, Oneida, Onondaga, St. Lawrence, Herkimer, and Madison counties; and (3) representatives from JCC conducted an intercept survey for snowmobile users to complete in person. An intercept survey directly asks people to complete a survey based on their current experience of interacting with something, in this case, the snowmobile trails.

Figure 2: Survey Area



In total, 2,416 surveys were completed. Figure 3 illustrates the primary residence of survey respondents, by ZIP code. Respondents from 789 unique ZIP codes participated in the survey. For more information on survey questions, see Attachment B.

Figure 3



MODELING PROCESS

Camoin 310 used Economic Modeling Specialists, Intl. (Emsi) to calculate the economic impacts of the snowmobile trails. The following briefly describes the methodology, particularly as it relates to visitor spending; additional information about the Emsi model can be found in Attachment A.

1. **Estimate Net New Visitation:** Camoin 310 used information about snowmobile club membership in Jefferson, Lewis, Oneida, and Oswego counties, along with information gathered from the survey to estimate the number of “net new” visitors. Survey data was used to identify visitors for which the snowmobile trails were their primary reason for visiting the region and who travelled to the region from outside of the Tug Hill region. “Net new” means visitation and spending that would not occur but for the snowmobile trails.
2. **Estimate Net New Spending:** Using the survey results, we estimated average spending per day, per net new visitor.
3. **Model Economic Impacts:** Using net new visitor spending amounts as inputs, we modeled the economic impacts - in terms of jobs, earnings, and sales of the event on the Tug Hill region. Economic multipliers were provided through the Emsi software package.
4. **Calculate Total Impacts:** We arrived at the total economic impacts as the sum of the direct, indirect, and induced impacts.

Modeling Software

Economic Modeling Specialists, Intl. (Emsi) designed the input-output model used in this analysis. The Emsi model allows the analyst to input the amount of new direct economic activity (spending, earnings, or jobs) occurring within the region and uses the direct inputs to estimate the spillover effects that the net new spending, earnings, or jobs have as these new dollars circulate throughout the economy. This is captured in the indirect and induced impacts and is commonly referred to as the “multiplier effect.” See Appendix A for more information on economic impact analysis.

What does “Net New” Mean?

When looking at the economic impacts of an industry, it’s important to look only at the economic changes that would not happen in the snowmobile industry’s absence. These effects are the “net new” effect: purchases made only as a result of the industry in question.

Definition of a “Job”

A “job” is equal to one person employed for some amount of time (part-time, full-time, or temporary) during the study period.

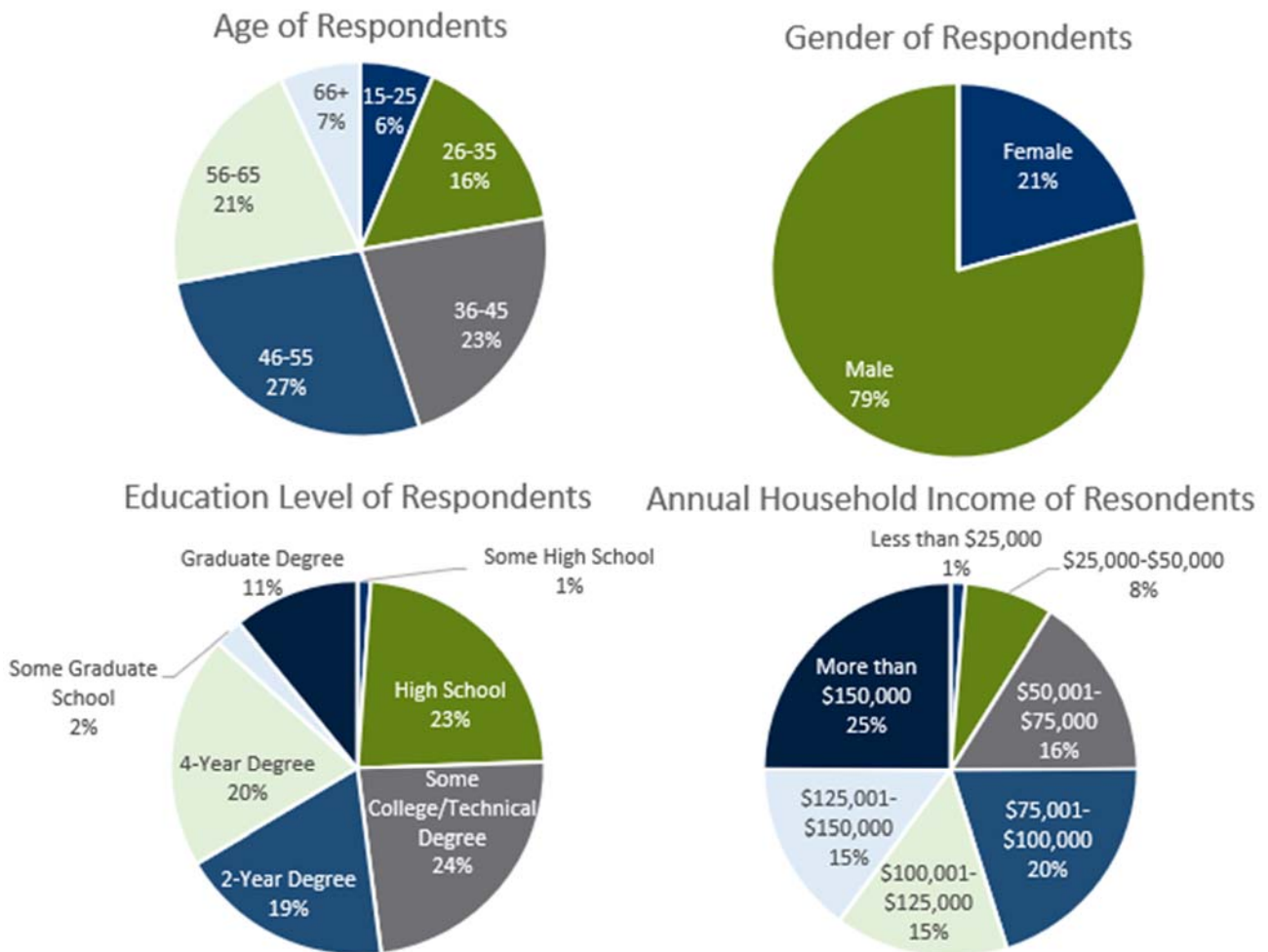
SURVEY RESULTS

The following section summarizes the information captured in the snowmobile user survey, including the demographics of respondents, information about the Tug Hill region snowmobile experience, and key themes from survey comments. Data included in this section is an aggregation of all 2,416 survey responses.

DEMOGRAPHICS OF RESPONDENTS

Approximately half of respondents were in the 36 to 55 age range. 79% of respondents were male while 21% were female. About three quarters of respondents have completed at least some level of college education, and 25% of respondents have household incomes that are greater than \$150,000.

Figure 4

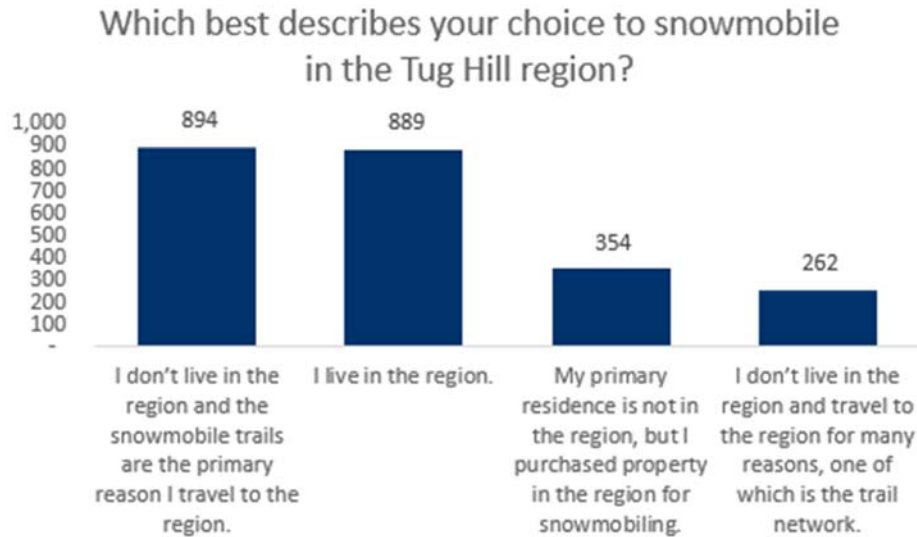


Source: Survey

SNOWMOBILE EXPERIENCE

Respondents included snowmobile users who live in the region (37%), travel to the region to use the snowmobile trails (37%), own property in the region because of the snowmobile trails (15%), and use the trails while traveling to the region for other reasons (11%) (Figure 5). 69% of respondents indicated that both family and friends are typically on a snowmobile outing with them (Figure 6).

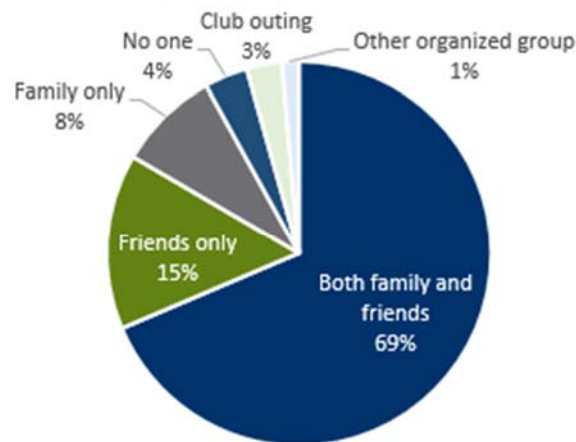
Figure 5



Source: Survey

Figure 6

Who goes on a typical snowmobile outing with you?



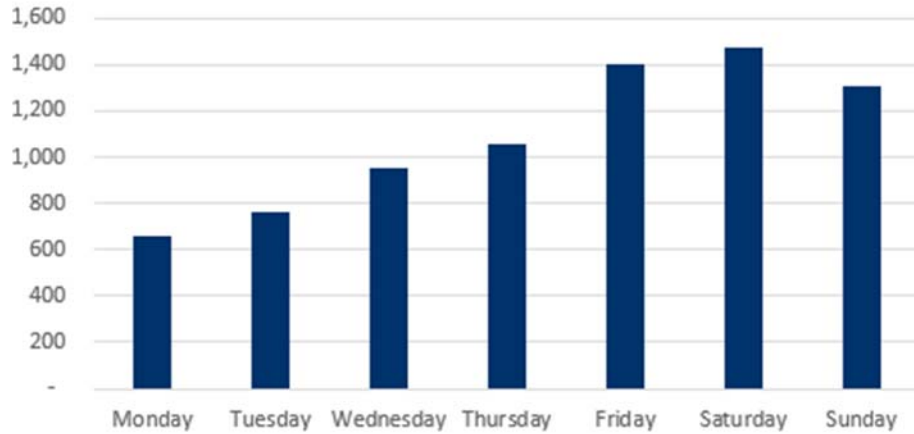
Source: Survey

*Note: respondents were able to select multiple options.

Unsurprisingly, Friday, Saturday, and Sunday are the most popular days for snowmobiling in the Tug Hill region. Trail signs are the most preferred form of trail navigation for respondents and 62% of respondents encounter law enforcement at least once while snowmobiling.

Figure 7

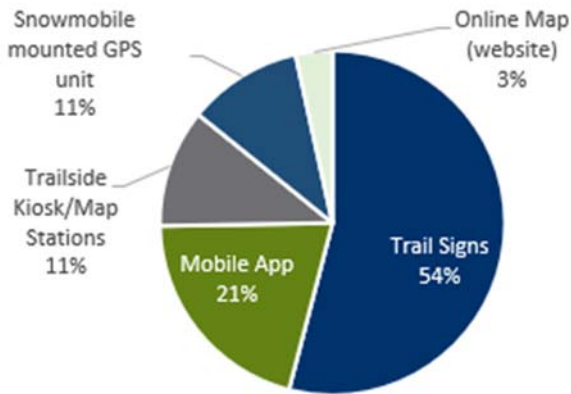
On which days of the week do you typically snowmobile in the Tug Hill region?



Source: Survey
 *Note: respondents were able to select multiple options.

Figure 9

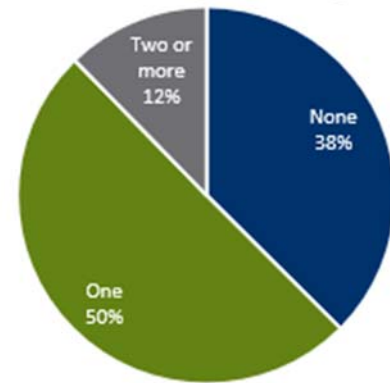
Of the following, what is your preferred trail navigation tool?



Source: Survey

Figure 9

How many times do you encounter law enforcement on a typical day while snowmobiling in the region?



Source: Survey

Most respondents get their information about snowmobiling in the region through social media and friends and family. While on a snowmobile trip, respondents participate in other activities, of which dining is by far the most popular.

Table 1

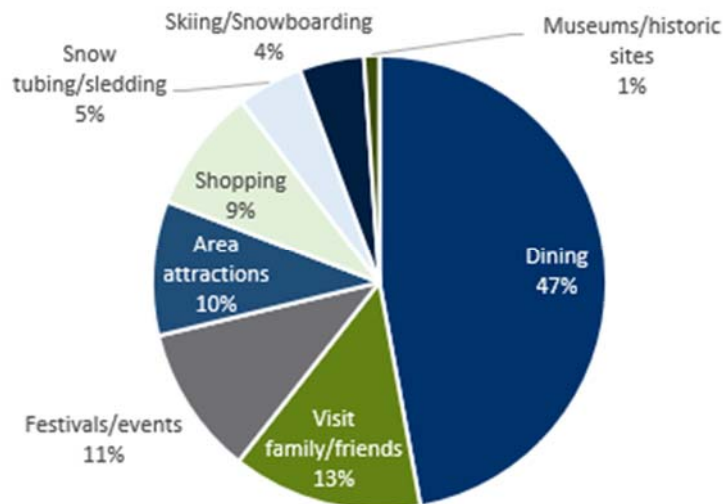
When planning a trip to the region, which two of the following sources do you use to gather information about snowmobiling in the area?

Social Media (Facebook, Twitter, Instagram...)	1,539
Friends and Family	1,515
Search Engine (Google, Bing...)	523
Other	253
Blog or Publication	110
Local Tourism Info (Visitor's Center or Guide, Local TV...)	100
Internet Advertisement	82
State Tourism Info (I Love NY website, Interstate/Highway Informational Centers...)	48
Print Advertisement (magazine, newspaper...)	34

Source: Survey

Figure 10

What other activities do you or members of your immediate travel group participate in while on a snowmobile trip?



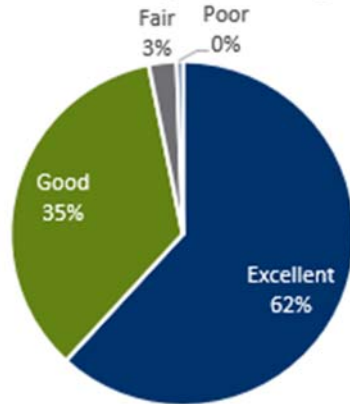
Source: Survey

*Note: respondents were able to select multiple options.

Overall, respondents have a favorable view of snowmobiling in the region. 62% of respondents rated the experience as excellent while 35% rated it as good. Improving trail maintenance, creating new trails/more trail miles, and creating additional trail signage are the most desired improvements to the snowmobile user experience.

Figure 11

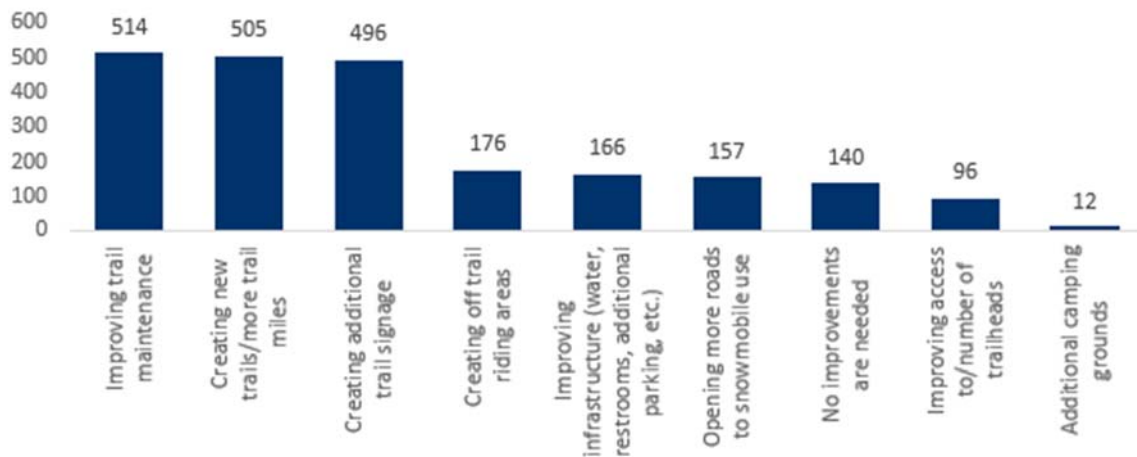
How would you rate your overall experience snowmobiling in the region?



Source: Survey

Figure 12

What is the one most important improvement that needs to be done to improve the snowmobile riding experience in the region?

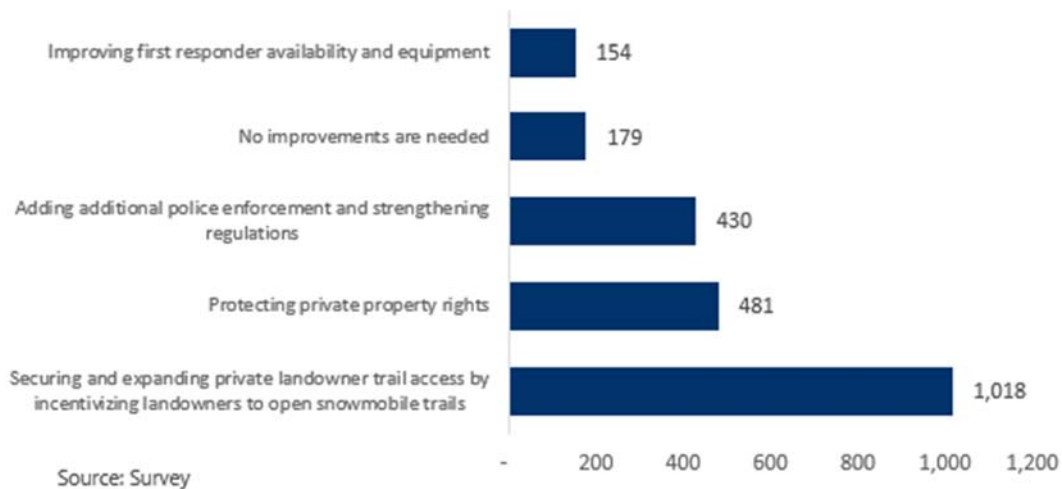


Source: Survey

Respondents pointed to securing and expanding private landowner trail access as the most important thing that would safeguard the snowmobile experience. Other top choices included protecting private property rights and adding additional police enforcement of regulations.

Figure 13

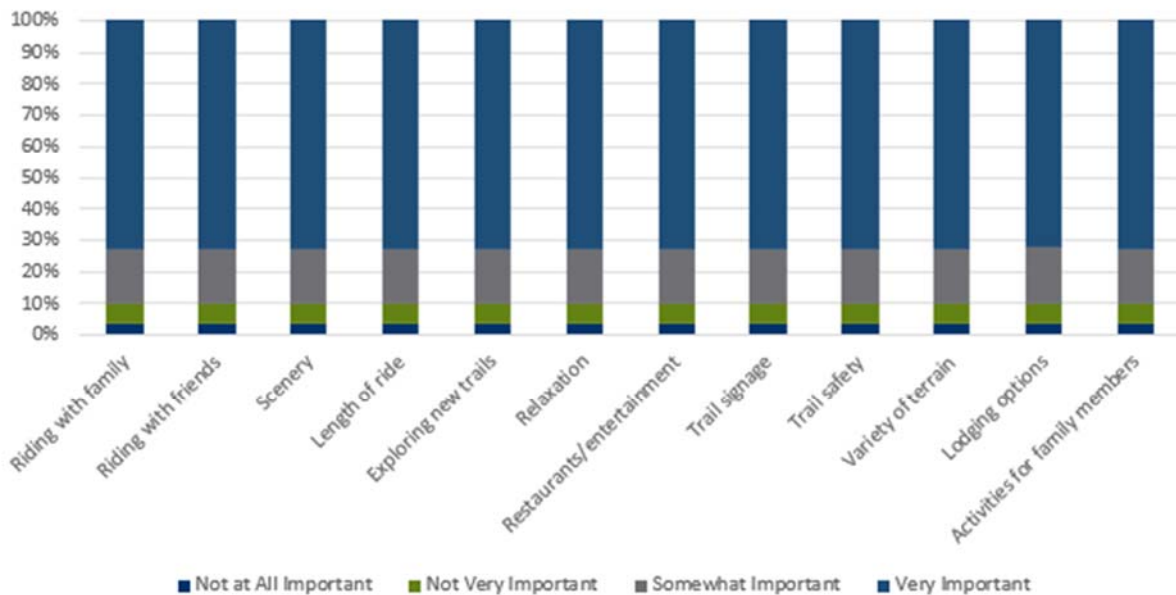
What is the one most important thing that would safeguard the snowmobile experience?



Most respondents answered similarly when asked to rank the importance of various aspects of snowmobile trips to the region. All aspects of the trip were overwhelmingly identified as being very important.

Figure 14

With respect to each of the following aspects of a snowmobiling trip to the region, please rate the level of importance to you:



THEMES

The survey allowed respondents to add additional comments, if desired. Several key themes emerged from these comments:

- ◆ Many respondents indicated that they had an extremely positive experience snowmobiling in the region and enjoy having this winter recreation option. Much appreciation was expressed for the work of the snowmobile clubs and the work they have done to improve grooming and signage along the trails.
- ◆ Respondents noted that they enjoy snowmobiling in the Tug Hill region with their families, and like using the trails to teach their children and get them more involved in the sport.
- ◆ While many comments recognized that trail grooming has improved, a significant number of respondents indicated a desire for more frequent grooming of the trails.
- ◆ Safety concerns, specifically over riders who endanger others through high speed and alcohol use, was a top theme. Respondents indicated a desire for law enforcement to increase enforcement of speed limits and alcohol use to improve rider safety. There is a perception among respondents that law enforcement focuses heavily on registration and insurance checks rather than traffic enforcement.
- ◆ Respondents indicated that safety concerns increase on the weekends, with larger crowds and irresponsible riders who do not stay on the trail, or on the right side of the trail. Some respondents indicate that they avoid riding on weekends over these concerns.
- ◆ Respondents indicated that signage has improved, but there is a desire for more paper maps to be posted throughout the trail system.
- ◆ Improving the relationship with landowners was also a theme of the responses. Respondents suggested incentivizing/compensating landowners for their land use and enforcement of traffic rules as ways to improve the relationship.

ECONOMIC IMPACT

When looking at the economic impacts of an industry, it is important to look only at the economic changes that would not happen in the industry's absence. These effects are the "net new" effect: purchases made only as a result of the industry in question. In the case of the snowmobile industry, economic activity is driven by visitation and visitor spending. Net new visitation is defined as visitors who would not be in the region *but for* the snowmobile trails. In other words, net new visitors are visitors from outside of the region who travel to the Tug Hill because of the snowmobile trails, or who have purchased second homes in the region because of the trails. Throughout the economic impact analysis these are collectively referred to as either "net new users" or "non-local" users. The economic impact does not include the effect of spending by individuals who live in the region or who travel to the region for other reasons and also use the snowmobile trails (the "local

ANNUAL VISITATION ESTIMATES

According to the New York State Snowmobile Association (NYSSA), there are 16,442 members of snowmobile clubs in Jefferson, Lewis, Oneida, and Oswego counties. For the purposes of this analysis, these members are assumed to be the "local" snowmobile users. In the survey conducted of snowmobile users, 48% of survey respondents were from Tug Hill, therefore, these 16,442 local users represent 48% of the total snowmobile users. This includes respondents whose primary residence is in the region, or who are in the region for many reasons (in addition to snowmobiling). This analysis conservatively assumes that individuals in these categories are not net new. In other words, these users would still be in Tug Hill (and spending money) even without the snowmobile trails.

Using these assumptions, it is estimated that there are 34,254 total snowmobile users in Tug Hill, annually.

Table 2
Total Annual Snowmobile Users

Survey Area Snowmobile Club Membership	16,442
Percent of Snowmobile Users from Tug Hill	48%
Total Snowmobile Users	34,254

Source: NYSSA, Survey

Using the total number of snowmobile users and the number of local users, the number of non-local users was calculated. Non-local users are considered to be net new because these individuals would not be spending time in the Tug Hill region but for the snowmobile trails. These are users for whom the snowmobile trails are the primary reason they are in the region and include individuals who travel to Tug Hill because of the snowmobile trails or who have purchased second homes in the region because of the trails. This does not include users whose primary residence is in the region or who travel to the region for other reasons and happen to use the snowmobile trails while there. There are an estimated 17,812 net new users, annually.

Table 3
Annual Net New Snowmobile Users

Total Snowmobile Users	34,254
Local Users	16,442
Net New (Non-Local) Users	17,812

Source: NYSSA, Survey

According to the survey, non-local users spend 19.5 days in the region per year. This means that there are an estimated 347,337 net new user days¹, annually.

Table 4

Annual Net New Snowmobile User Days	
Net New Users	17,812
Days in Region per Year	19.5
Net New User Days	347,337

Source: Survey

NET NEW ANNUAL VISITOR SPENDING IMPACTS

The net new (non-local) snowmobile users will have an impact on the regional economy as they make purchases on lodging, transportation, food and beverage, retail, and other recreation. Based on the information collected from the survey, we were able to estimate the average spending per group per trip and derive the total visitor spending.

According to the survey, non-local snowmobilers spent an average of \$2,934 per group per trip. Since the average group size of non-local users is 4.5 people, and the average number of days per trip is 3.4, average spending per user per day is \$192. This was multiplied by the 347,337 net new user days to calculate total annual snowmobile user spending of over \$66.6 million.

Table 5

Average Spending of Net New Snowmobile Users

	Avg. Spent per Group per Trip	Avg. Spent Per User per Trip (4.5 people per group)	Avg. Spent Per User per Day (3.4 days per trip)	Total Spending (347,337 user days)
Lodging	\$548	\$122	\$36	\$12,440,576
Food and drink Bar/Restaurants	\$483	\$107	\$32	\$10,959,474
Area entertainment, admissions	\$50	\$11	\$3	\$1,128,672
Gas	\$359	\$80	\$23	\$8,153,575
Convenience Stores (not gas)	\$130	\$29	\$9	\$2,954,038
Snowmobile equipment and accessories	\$634	\$141	\$41	\$14,386,173
Snowmobile Repairs	\$204	\$45	\$13	\$4,637,025
Shopping (souvenirs, clothing, etc)	\$141	\$31	\$9	\$3,205,168
Other (include dollar amounts here and items below)	\$385	\$86	\$25	\$8,742,567
Total	\$2,934	\$652	\$192	\$66,607,269

Source: Survey

¹ The term *users* is used to describe an individual whereas a *user day* is the number of days spent per year. For example, one user could have five user days.

The approximately \$66.6 million in snowmobile user related sales was used as the direct input into the Emsi model to estimate the total impact on jobs, earnings, and sales. Table 6 shows the total economic impact of snowmobile spending on the regional economy. This is the annual economic activity generated by non-local users and represents the economic activity the region would lose without the snowmobile industry.

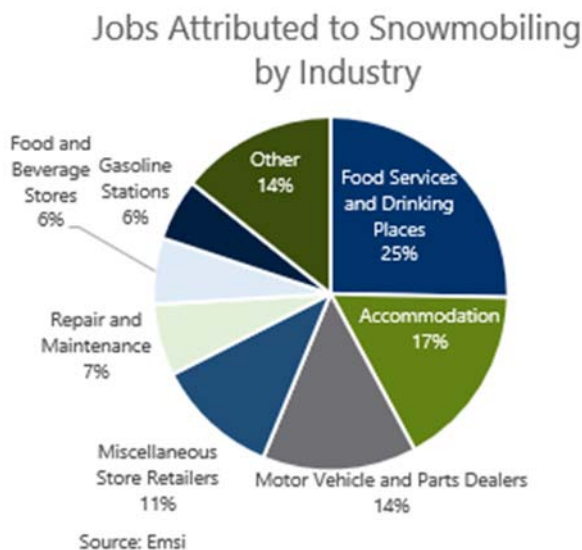
Table 6

Annual Economic Impact of Snowmobile Users			
	<u>Jobs</u>	<u>Earnings</u>	<u>Sales</u>
Direct	748	\$23,203,655	\$66,607,269
Indirect	58	\$2,392,692	\$6,680,226
Induced	60	\$3,208,087	\$8,287,847
Total	866	\$28,804,434	\$81,575,341

Source: Emsi

The 866 jobs that are attributed to the snowmobile industry represent 2% of total jobs in the region and are in a wide range of industries. 25% of jobs supported by the snowmobile industry are in the food services and drinking places industry, 17% are in the accommodations industry, and 14% are in the motor vehicle and parts dealers industry. Table 7 shows the jobs supported by the snowmobiling industry, by industry, as a percent of total jobs in the region.

Figure 15



ECONOMIC ACTIVITY: A NOTE ABOUT LOCAL USER SPENDING

As previously discussed, the spending of local snowmobile users is not considered to be net new and is not captured in the economic impact analysis. Although this is not net new activity, local users are participating in the local economy and their spending can be summarized as economic activity.

Using the average spending per local user per trip and the days spent snowmobiling per year (both from the survey), the total economic activity attributed to local users was calculated.

Local users spend on average \$151 per day in the region while snowmobiling, with total economic activity attributed to local users equaling over \$43.5 million per year.

Annual Economic Activity from Local Users	
Avg. Spending Per Local User Per Trip	\$ 151
Local Users	16,442
Days Snowmobiling Per Year	17.5
Local User Days	287,735
Economic Activity	\$ 43,538,849

Source: Camoin 310, Survey

A summary of economic activity is less rigorous than an economic impact analysis as it simply summarizes what is happening, rather than what is changing in the regional economy. Economic activity is a good measure of the size of the local snowmobile industry but is not directly comparable to or included in the economic impacts.

Table 7

Tug Hill Jobs Attributed to Snowmobile Industry

NAICS	Description	Jobs from Snowmobiling	Total Jobs in Region	% of Total
722	Food Services and Drinking Places	219	2,740	8%
721	Accommodation	146	293	50%
441	Motor Vehicle and Parts Dealers	122	953	13%
453	Miscellaneous Store Retailers	98	222	44%
811	Repair and Maintenance	57	453	13%
445	Food and Beverage Stores	52	871	6%
447	Gasoline Stations	49	471	10%
903	Local Government	25	7,279	0%
713	Amusement, Gambling, and Recreation Industries	23	237	10%
531	Real Estate	15	246	6%
561	Administrative and Support Services	12	828	1%
541	Professional, Scientific, and Technical Services	6	884	1%
621	Ambulatory Health Care Services	4	1,921	0%
551	Management of Companies and Enterprises	4	366	1%
238	Specialty Trade Contractors	3	1,043	0%
812	Personal and Laundry Services	3	378	1%
622	Hospitals	2	1,566	0%
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	2	796	0%
484	Truck Transportation	2	490	0%
524	Insurance Carriers and Related Activities	2	348	1%
236	Construction of Buildings	1	940	0%
114	Fishing, Hunting and Trapping	1	13	11%
624	Social Assistance	1	1,299	0%
492	Couriers and Messengers	1	208	0%
454	Nonstore Retailers	1	387	0%
901	Federal Government	1	4,131	0%
515	Broadcasting (except Internet)	1	85	1%
523	Securities, Commodity Contracts, and Other Financial Investments and Related Activities	1	38	2%
452	General Merchandise Stores	1	1,334	0%
493	Warehousing and Storage	1	58	1%
623	Nursing and Residential Care Facilities	1	1,204	0%
424	Merchant Wholesalers, Nondurable Goods	1	477	0%
485	Transit and Ground Passenger Transportation	1	162	0%
611	Educational Services	1	170	0%
237	Heavy and Civil Engineering Construction	1	470	0%
Total		866	43,530	2%

Source: Emsi

*Note that snowmobiling jobs do not equal total due to rounding. Total jobs in region (43,530) is the total jobs in the region, not just the industries displayed.

FISCAL IMPACT

In addition to the economic impact on the regional economy, the net new snowmobile users also have a fiscal impact in terms of property tax, sales tax, and occupancy tax revenue.

While the economic impacts are calculated for the Tug Hill region as a whole, fiscal impacts are calculated for each of the four counties that make up, in part, the Tug Hill region. In calculating the fiscal impacts it is necessary to attribute a portion of the total economic activity to each of the four counties. To do so, we looked at total sales in the regional economy across the visitor spending industries (the categories from Table 5). The percent of the total sales in the Tug Hill region in these industries that occur in each of the four counties was calculated.² The portion of sales in all of the visitor spending industries is used in the calculations of property tax and sales tax revenue, while the portion of sales in lodging is used to calculate occupancy tax revenue.

Table 8

Percent of Total Tug Hill Region Industry Sales in County		
County	All Visitor Spending Industries	
		Lodging
Jefferson	23%	1%
Lewis	19%	36%
Oneida	29%	9%
Oswego	29%	53%

Source: Emsi

PROPERTY TAX REVENUE

Although the use of the snowmobile trails does not directly generate property tax revenue for the counties in the Tug Hill region, property tax revenue can be thought of as a function of the overall economic activity within a region. As economic activity increases so do assessed property values, and therefore, property tax revenue. In other words, without the snowmobile users and their associated economic activity, Jefferson, Lewis, Oneida, and Oswego counties' property tax revenue would be lower than it is currently.

To estimate the portion of property tax revenue that can be attributed to the snowmobile users and resulting economic activity, we determined the ratio of total "value added" sales³ associated with the snowmobile activity to the total Gross Regional Product (GRP)⁴ of the counties. This ratio is used as a proxy for the portion of property tax revenue that can be attributed to the snowmobile users.

² Source: Emsi

³ Value added sales are a measure of contribution to GRP. This is the difference between an industry's total sales and the cost of its intermediate inputs. Intermediate inputs are goods and services that are used in the production process of other goods and services.

⁴ Gross Regional Product (GRP) measures the market value of all final goods and services produced in each county in a year.

To do so, we first consider the \$81.6 million in total sales that were calculated as part of the *Economic Impact Analysis* (Table 6). The economic impacts are distributed throughout the four counties by the percentages outlined in Table 8.

Of these total sales, a portion is considered to be value-added. Value added sales account for 0.1% of GRP in Jefferson County, 1.0% of GRP in Lewis County, 0.1% in Oneida County, and 0.2% in Oswego County. This is, in effect, the portion of each county’s property tax base that is reliant on economic activity generated by the snowmobile users. Applying this ratio to the property tax levies of the counties, we estimate total property tax revenue attributed to the snowmobile users (Table 9). *Note that this is the property tax revenue attributable to the economic activity generated by snowmobile visitation and does not include the actual property taxes paid by second homeowners.*

Table 9

Property Tax Revenue

	<u>Jefferson</u>	<u>Lewis</u>	<u>Oneida</u>	<u>Oswego</u>
Total Sales (from <i>Economic Impact</i>)	\$81,575,341			
% of Sales in Geography	23%	19%	29%	29%
Total Sales in Geography	\$18,762,328	\$15,499,315	\$23,656,849	\$23,656,849
Value Added Portion of Total Sales	\$10,749,818	\$8,880,284	\$13,554,118	\$13,554,118
2020 Gross Regional Product	\$7,578,408,123	\$913,195,286	\$11,896,988,236	\$5,479,767,488
Pct. Of GRP Attributable to Snowmobile Visitation	0.1%	1.0%	0.1%	0.2%
FY21 Property Tax Levy	\$61,446,288	\$17,700,000	\$66,145,834	\$45,569,335
Property Tax Revenue Attributable to Snowmobile Visitation	\$87,160	\$172,122	\$75,359	\$112,715

Source: Emsi, Jefferson County, Lewis County, Oneida County, Oswego County

SALES TAX REVENUE

A portion of spending by snowmobile users will be subject to sales tax. It is again assumed that the total economic impacts are distributed amongst the four counties by the percentages outlined in Table 8. Of the total sales, it is assumed that 40%⁵ will be taxable. The sales tax rates for each of the four counties were applied to the taxable spending to calculate the sales tax revenue attributable to snowmobile users.

Table 10

Sales Tax Revenue

	<u>Jefferson</u>	<u>Lewis</u>	<u>Oneida</u>	<u>Oswego</u>
Total Sales (from <i>Economic Impact</i>)	\$81,575,341			
% of Sales in Geography	23%	19%	29%	29%
Total Sales in Geography	\$18,762,328	\$15,499,315	\$23,656,849	\$23,656,849
Amount Taxable (40%)	\$7,504,931	\$6,199,726	\$9,462,740	\$9,462,740
Sales Tax Rate	4.00%	4.00%	4.75%	4.00%
Sales Tax Revenue	\$300,197	\$247,989	\$449,480	\$378,510

Source: Emsi, Camoin 310, NYS Comptroller

⁵ Based on information from the NYS Department of Finance and Taxation regarding purchases subject to sales tax.

OCCUPANCY TAX REVENUE

The four counties also impose an occupancy tax on accommodations spending. The snowmobile users' direct spending on lodging was distributed amongst the four counties proportionally based on 2020 occupancy tax collections. The lodging sales were further reduced to account for overnight stays in short term rentals or other lodging that is not subject to occupancy tax. The reduction in taxable sales is based on the proportion of AirBnB rentals in each county, as well as an additional reduction of 10% to account for other non-taxable lodging options that are not captured by AirBnB. Of the four counties, only Lewis County collects occupancy tax on AirBnB rentals; Lewis County's taxable sales were still reduced by 10% however to account for some portion of overnight visits that may not be captured by the tax.

Following these adjustments, the respective occupancy tax rates were applied. The total occupancy tax revenue generated by snowmobile users is displayed in Table 11. Annual occupancy tax revenue attributed to the snowmobile industry accounts for an estimated 17% of occupancy tax collections in Jefferson County, 32% in Lewis County, 30% in Oneida, and 19% in Oswego (based on 2020 collections).

Table 11

Occupancy Tax Revenue				
	<u>Jefferson</u>	<u>Lewis</u>	<u>Oneida</u>	<u>Oswego</u>
Direct Lodging Sales (from <i>Economic Impact</i>)		\$12,440,576		
% of Sales in Geography	20%	4%	49%	26%
Total Sales in Geography	\$2,522,036	\$549,717	\$6,121,003	\$3,247,821
% of Sales Subject to Occupancy Tax	80%	90%	82%	65%
Total Sales Subject to Occupancy Tax	\$2,024,259	\$494,745	\$5,015,406	\$2,113,781
Occupancy Tax Rate	3.00%	5.00%	5.00%	4.00%
Occupancy Tax Revenue	\$60,728	\$24,737	\$250,770	\$84,551

Source: Camoin 310, Jefferson County, Lewis County, Oneida County, Oswego County, CoStar, AirBnB

TOTAL TAX REVENUE

Total annual tax revenue attributable to the snowmobile users is displayed in Table 12.

Table 12

Annual Tax Revenue				
	<u>Jefferson</u>	<u>Lewis</u>	<u>Oneida</u>	<u>Oswego</u>
Property Tax Revenue	\$87,160	\$172,122	\$75,359	\$112,715
Sales Tax Revenue	\$300,197	\$247,989	\$449,480	\$378,510
Occupancy Tax Revenue	\$60,728	\$24,737	\$250,770	\$84,551
Total	\$448,085	\$444,848	\$775,610	\$575,776

Source: Camoin 310

ATTACHMENT A: WHAT IS ECONOMIC IMPACT ANALYSIS?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings and output in a given economy due to some initial “change in final demand”. To understand the meaning of “change in final demand”, consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells \$1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is \$1 million because dollars are flowing in from outside the United States and are therefore “new” dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property and pay its workers. This first round is commonly referred to as the “Direct Effects” of the change in final demand and is the basis of additional rounds of buying and selling described below.

To continue this example, the widget manufacturer’s vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e. sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will “leak out”. What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of industry-to-industry purchases. Finally, the widget manufacturer has employees who will naturally spend their wages. Again, those wages spent will either be for local goods and services or will “leak” out of the economy. The purchases of local goods and services will then stimulate other local economic activity. Together, these effects are referred to as the “Indirect Effects” of the change in final demand.

Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the “multiplier effect” and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar (\$1) of change in final demand, an additional \$1.40 of indirect economic activity occurs for a total of \$2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e. how the “local economy” is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the \$1 million of widgets being purchased by Canadians is not causing total North American demand to increase by \$1 million. Presumably, those Canadian purchasers will have \$1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many “new” dollars the producer would be causing to occur domestically.

ATTACHMENT B: SURVEY QUESTIONS

Lewis County/Tug Hill Region Snowmobiling Study

on behalf of Lewis County Economic Development, the Tug Hill Commission, Jefferson County Economic Development, Lewis County Chamber of Commerce, Oswego County Tourism, Oneida County Tourism, and Operation Oswego County, Inc.

The following survey is being completed as a collaborative effort of the contributing partners listed above and the snowmobile clubs in Lewis County and the Tug Hill portions of Jefferson, Oneida, and Oswego Counties. The purpose of collecting the information is to better understand the usage, needs, and economic impact of snowmobile users in the region.

1. Do you borrow, rent, or own the snowmobile(s) you ride?

Borrow Rent Own

If you are an owner, how many do you own? _____

2. Which of the following statements best describes your choice to snowmobile in Lewis County and the Tug Hill portions of Jefferson, Oneida, and Oswego Counties?

A	<input type="checkbox"/> I live in the region.
B	<input type="checkbox"/> My primary residence is not in the region, but I purchased property in the region for snowmobiling.
C	<input type="checkbox"/> I don't live in the region and the snowmobile trails are the primary reason I travel to the region.
D	<input type="checkbox"/> I don't live in the region and travel to the region for many reasons, one of which is the trail network.

3. Please indicate the state, county and zip code of your primary residence:

State: _____
 County: _____
 Zip code: _____

4. If you own property in the region in addition to your primary residence, please indicate the ZIP code for this property.

I do own additional property and the ZIP CODE is: _____
 I do not own additional property

If your primary residence is not in Lewis County and the Tug Hill portions of Jefferson, Oneida, and Oswego Counties, please answer the two questions in the enclosed box below.

5. In a typical season how many snowmobiling trips do you take to the region? _____

6. How long (number of days) are your typical snowmobiling trips in the region? _____

7. In a typical season, how many days do you spend snowmobiling in the region? _____

8. Including you, how many people are in your typical immediate group when you snowmobile in the region? _____

9. Who goes on a typical snowmobile outing with you? (Check all that apply)

<input type="checkbox"/> No one	<input type="checkbox"/> Both family & friends
<input type="checkbox"/> Family only	<input type="checkbox"/> Club outing
<input type="checkbox"/> Friends only	<input type="checkbox"/> Other organized group

10. How much (in dollars) do you estimate you and your immediate travel group (the individuals you included in your answer to question 8) spend on a typical snowmobile trip in Lewis County and the Tug Hill portions of Jefferson, Oneida, and Oswego Counties on:

Lodging	\$
Food and drink at Bars/Restaurants	\$
Area entertainment, admissions	\$
Shopping (souvenirs, clothing, etc)	\$
Gas	\$
Snowmobile Repairs	\$
Convenience stores (not gas)	\$
Snowmobile equipment and accessories	\$
Other (Specify: _____)	\$

11. With respect to each of the following aspects of a snowmobile trip to the region, please rate the level of importance to you on a scale of very important to not at all important:

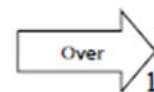
	Very	Somewhat	Not Very	Not at all	Don't know
A <input type="checkbox"/> Riding with family					
B <input type="checkbox"/> Riding with friends					
C <input type="checkbox"/> Scenery					
D <input type="checkbox"/> Length of ride					
E <input type="checkbox"/> Exploring new trails					
F <input type="checkbox"/> Relaxation					
G <input type="checkbox"/> Restaurants/entertainment					
H <input type="checkbox"/> Trail signage					
I <input type="checkbox"/> Trail safety					
J <input type="checkbox"/> Variety of terrain					
K <input type="checkbox"/> Lodging options					
L <input type="checkbox"/> Activities for family members					

12. How would you rate your overall experience snowmobiling in the region?

Excellent
 Good
 Fair
 Poor

13. How many times would you say you encounter law enforcement in a typical day while snowmobiling in the region?

None
 One
 Two or more



14. Please indicate what, if anything, needs to be done to improve the snowmobile riding experience in Lewis County and the Tug Hill portions of Jefferson, Oneida, and Oswego Counties. (Check all that apply)

A	<input type="checkbox"/> Creating new trails/more trail miles
B	<input type="checkbox"/> Opening more roads to snowmobile use
C	<input type="checkbox"/> Improving trail maintenance
D	<input type="checkbox"/> Creating additional trail signage
E	<input type="checkbox"/> Creating off trail riding areas
F	<input type="checkbox"/> Improving infrastructure (water, restrooms, additional parking, etc.)
G	<input type="checkbox"/> Improving access to/number of trailheads
H	<input type="checkbox"/> Additional camping grounds
I	<input type="checkbox"/> No improvements are needed

15. Using a LETTER (A-I) from the choices above what is the ONE most important improvement that needs to be made to make your snowmobile riding experience more enjoyable? _____

16. Please indicate what, if anything, needs to be done to protect the snowmobile riding experience in Lewis County and the Tug Hill portions of Jefferson, Oneida, and Oswego Counties. (Check all that apply)

A	<input type="checkbox"/> Improving first responder availability and equipment
B	<input type="checkbox"/> Adding additional police enforcement and strengthening regulations
C	<input type="checkbox"/> Protecting private property rights
D	<input type="checkbox"/> Securing and expanding private landowner trail access by incentivizing landowners to open snowmobile trails
E	<input type="checkbox"/> No improvements are needed

17. Using a LETTER (A-E) from the choices above what do you believe is the ONE most important item that would safeguard the snowmobiling experience in the region? _____

18. When planning a trip to the region, which two of the following sources do you most commonly use to gather information about snowmobiling in the area?

<input type="checkbox"/> Friends and Family	<input type="checkbox"/> Blog or Publication
<input type="checkbox"/> Search Engine (Google, Bing...)	<input type="checkbox"/> Print Advertisement (magazine, newspaper...)
<input type="checkbox"/> Social Media (Facebook, Twitter, Instagram...)	<input type="checkbox"/> Internet Advertisement
<input type="checkbox"/> Local Tourism Info (Visitor's Center or Guide, Local TV...)	<input type="checkbox"/> State Tourism Info (I Love NY website, Interstate/Highway Informational Centers...)
<input type="checkbox"/> Other Specify: (_____)	

19. On which days of the week do you typically snowmobile in Lewis County and the Tug Hill portions of Jefferson, Oneida, and Oswego Counties? (Check all that apply)

<input type="checkbox"/> Monday	<input type="checkbox"/> Friday
<input type="checkbox"/> Tuesday	<input type="checkbox"/> Saturday
<input type="checkbox"/> Wednesday	<input type="checkbox"/> Sunday
<input type="checkbox"/> Thursday	

20. Of the following, what is your preferred trail navigation tool?

A	<input type="checkbox"/> Mobile App
B	<input type="checkbox"/> Trailside Kiosk/Map Stations
C	<input type="checkbox"/> Online Map (website)
D	<input type="checkbox"/> Snowmobile mounted GPS unit
E	<input type="checkbox"/> Trail Signs

21. What other activities do you or members of your immediate travel group participate in while you're on a snowmobile trip? (Check all that apply)

<input type="checkbox"/> Shopping	<input type="checkbox"/> Dining
<input type="checkbox"/> Visit family/friends	<input type="checkbox"/> Museums/historic sites
<input type="checkbox"/> Festivals/events	<input type="checkbox"/> Area attractions
<input type="checkbox"/> Skiing/Snowboarding	<input type="checkbox"/> Snow tubing/sledding
<input type="checkbox"/> Other (Specify: _____)	

22. What is your age? _____

23. What is your gender? _____

24. What is your highest level of school completed?

<input type="checkbox"/> Some high school	<input type="checkbox"/> 4 Year college degree
<input type="checkbox"/> High school grad.	<input type="checkbox"/> Some grad school
<input type="checkbox"/> Some college/ technical school	<input type="checkbox"/> Graduate degree
<input type="checkbox"/> Associate degree	<input type="checkbox"/> Other:

25. Which of these categories best describes your annual household income?

<input type="checkbox"/> Less than \$25,000	<input type="checkbox"/> \$100,001-\$125,000
<input type="checkbox"/> \$25,000-\$50,000	<input type="checkbox"/> \$125,001-\$150,000
<input type="checkbox"/> \$50,001-\$75,000	<input type="checkbox"/> More than \$150,000
<input type="checkbox"/> \$75,001-\$100,000	<input type="checkbox"/> Prefer not to answer

26. Please share any additional comments in the box below.

Comments:

27. If you would like your name to be entered for a chance to win a \$250 cash grand prize or one of our additional locally sponsored prizes, please include your contact information.

Name: _____

Email: _____

Phone: _____

Thank you for helping us with this survey. For more information regarding this survey contact Brittany Davis from Lewis County Economic Development at (315) 376-3014.



Photo Source: Christopher Rinck, Southern Tug Hill Sno-Riders

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