



2011 Economic Impact of Kelly's Whitewater Park in Cascade, Idaho

An overview of the park's second year in operation

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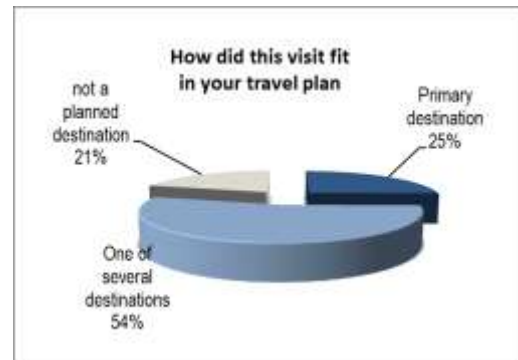
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Community summary

In its first year, Kelly's Whitewater Park (Kelly's) had close to 20,000 visitors. In 2011 the entry count¹ was up to 50,000, and 2012 expects an increase again. It takes several years for an amenity like Kelly's to establish a name and develop to its full potential. So why already do an economic impact study in its second year of operation? It takes an equally long time for community and local business infrastructure to incorporate an amenity like Kelly's. The manner in which it is incorporated ultimately determines the park's impact on the regional economy. Conducting a study earlier rather than later may therefore provide insight into how the community can influence the park's development and its economic impact.



What is the park's economic impact and who feels it most?

Expenditures are the source of all economic impact. Kelly's had around 40,000 unique daily visitors¹ in 2011, spending an average of \$43 per day each. This represents a total spending in the region of \$1.72 million. However, not all that spending is economic impact. If 10 individuals visit Kelly's Whitewater Park, and each individual spends \$25 in Cascade, it does not necessarily mean that Kelly's generated an economic impact of \$250. We are looking for a difference between "with and without" Kelly's; or, since Kelly's is only two years old, we can look at "before and after". If, in the previous example, all 10 individuals are Valley County residents who now spent money in Cascade as opposed to elsewhere in Valley County, it is an "economic wash" for Valley County but an economic impact for Cascade.

Did Kelly's bring new visitors to Valley County? About 10,000 of all 2011 visitors (25%) came specifically for Kelly's. Another 54% of visitors had Kelly's as one of several destinations on their trip. The remaining 21% of visitors decided to visit Kelly's while already in Valley County. Taking all this into account, the study estimates that 15,000 of the 40,000 unique daily visitors were new (incremental) to Valley County. This translates into an economic impact on Valley County of approximately \$600,000, representing 7.5 seasonal jobs and a tax impact of around \$83,000 (equally divided over state and federal receipts).

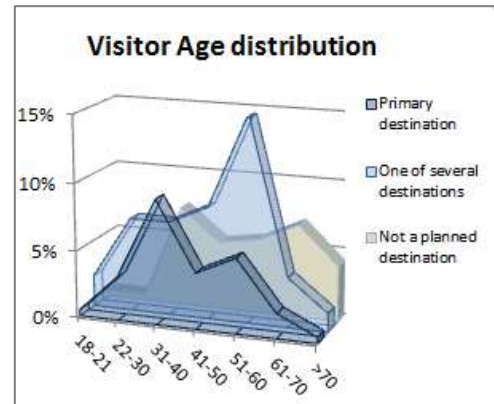
The picture changes when we focus only on Cascade. Around 90% of Kelly's visitors would not have visited Cascade without the park. Kelly's added an entirely new dimension to Cascade and made it a much more competitive tourist destination. In doing so Kelly's generated an economic impact to Cascade's 2011 economy of around \$436,000, primarily in campground fees and retail & restaurant spending. Directly and indirectly this represented 5.5 seasonal jobs (excluding the park jobs).

¹ There are three visitor counts that can be easily confused: *daily entry count*, *daily unique-visitor count* and *unique-visitors per season*. Think of Disney World, where you pay for a ticket, but can go in and out of a park more than once during the day. With a simple headcount using one gate (daily entry count) you would be counting those return visitors more than once. Disney avoids this by hand-stamping you and have you return through a designated gate. The unique daily-visitor count, then, includes only the ticketed individuals and excludes the hand-stamped return visitors. The third count is the number of unique visitors per season- since some visitors stay more than one day, the number of unique visitors for the season is going to be lower than the sum of the unique daily visitors for the season.

Other economic benefits

Economic impact of (visitor) expenditures is only one effect of Kelly's. Other, less direct, benefits may be equally important:

- The park is an additional amenity to make the region more attractive to residents and visitors alike.
- Cascade became more attractive for relocation, as demonstrated by Alzar, a preparatory school using the outdoors as its educational setting. They located their base campus in Cascade specifically because of Kelly's.
- Kelly's may be a factor in Cascade's better real estate performance in 2011 (relative to Donnelly and McCall), judging from an interviewee's comment on purchasing a second home because of the park's presence.



WHITewater ENTHUSIASTS (HAVING THE PARK AS PRIMARY DESTINATION) TEND TO BE YOUNGER, ALTHOUGH BABY-BOOMERS ARE CERTAINLY REPRESENTED.

Impacting the future

Kelly's made Cascade into a more competitive destination and added an amenity to the region. Even in its second year, the park already provided significant economic benefit to Cascade and Valley County. To further develop its economic potential as an amenity for the region, the park warrants stewardship. Mark & Kristina Pickard made funding available to support the park through its first decade with the specific intent to transition Kelly's to the community. Even though the park originally started as a grassroots community initiative, there will need to be concerted (community) initiative to make this transition successful.

Kelly's provided a reason for visitors to stop in Cascade, but having them spend money on services, food, supplies or lodging *in Cascade* is a second step that does not automatically follow. The study estimates that a significant portion of that money "leaks out" to other communities in Valley County. Some of this leakage is natural, but the park's location (just outside walkable distance of Cascade's downtown) makes economic spillover to the town's existing businesses and services difficult. Bringing the town, one way or another, within walkable distance of the park seems to be the intriguing challenge.

There is one more important variable that can increase Kelly's impact: locally added value. If a visitor spends \$50 on gasoline, it will add very little employment and about \$1 profit to the local economy -- most proceeds go to the oil company. But now imagine a visitor spending \$50 on a kayak lesson at the park. Assuming the instructor is local, most of this \$50 is local added-value (local employment and profit). Equally important: there is a reasonable chance that much of the \$50 will end up at places like the local grocery store, dentist and, yes, the gas station. This cascading effect multiplies the economic impact of visitor-spending. Whereas this analysis used a low multiplier of 1.08, more local added-value can easily push the multiplier to 1.5 or higher. With a multiplier of 2 the current \$600,000 economic impact will be closer to \$1.2 million - *without adding any visitors*. Even though this is clearly the subject of creativity and entrepreneurship, local community or business organizations may be able to promote and facilitate services with higher locally added value.

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Study summary

Kelly's Whitewater Park (Kelly's) in Cascade, Idaho resulted from an asset-driven economic development effort intended to fill the void after the local sawmill closed in 2001. This study covers the park's second year of operation (2011). The primary intent of the study is to identify constraints and leverage potential for the park's economic impact; it identifies community integration and urban connectivity as constraints and value-added activities as leverage. The study's secondary purpose is to clarify visitor counts, which focuses on the conversion of axle-count into unique daily visitor count, which in turn allows for estimating daily expenditures.

The study used a quantitative survey design with a self-administered questionnaire. Results are based on 243 interviews conducted at 24 sessions, randomly covering the open park-hours on weekdays and weekend days during the months of July and August. With only eight interviewees (3%) refusing to answer, the survey results are accurate with plus/minus variations of 6% at 95% statistical confidence.

Even though 60% of park visitors originate from within a 2 hour drive, only 8% of the 40,000 unique daily visitors² are from Valley County; 26% of visitors are from outside of Idaho. About 10,000 (25%) visitors came specifically for Kelly's. More than half (54%) of visitors had Kelly's as one of several destinations on their trip. The remaining 21% of visitors did not have the park as a planned destination and they were already in Valley County. Taking this into account the study estimates that 15,000 of the 40,000 unique daily visitors were new (incremental) to Valley County. Cascade, not being a strong tourist destination before Kelly's, can count 90% of 40,000 unique daily visitors as incremental.

The survey's results on spending-categories per visitor are extrapolated to visitor spending using typical spending patterns. Average stay per visitor is 1.7 days with an average spending of \$43/day, with the whitewater enthusiasts (25% of visitors) spending less – primarily because this relatively younger group favors camping over lodging in a hotel. The survey results on visitor origin and purpose of visit were used to determine the proportion of visitor spending that translates into economic impact. A conservative estimate of Kelly's economic impact on Valley County is then approximately \$600,000, representing 7.5 seasonal jobs and a tax impact of around \$84,000 (equally divided over state and federal receipts). The estimated impact for Cascade is around \$436,000, representing 5.5 seasonal jobs (excluding the jobs at the park). The park's economic impact is not concentrated in Cascade but seems more evenly distributed over Valley County as supported by long-term taxable sales trends in the three different sub-regions of Valley County.

² Expenditure calculations are based on **unique daily visitors**, as in individuals representing a daily spending. Since visitors stay an average of 1.7 days the number of **unique visitors** to the park is around 23,000 (40,000 divided by 1.7) for the 2011 season.

1. Introduction

The City of Cascade was left with 120 acres of abandoned industrial land along its riverfront when the local Boise-Cascade sawmill closed in 2001. The City Council and community members considered turning the former mill site into a regional asset by creating a whitewater park at its Payette River front. A 2007 University of Idaho (Horizons) community leadership program provided the necessary momentum to turn this idea into action. Before long, a community team drafted plans, put together promotional presentations and videos and used architectural concepts generated by University of Idaho students to communicate a vision and rally regional support. The project became a reality in 2009 through a very generous gift from philanthropists Mark & Kristina Pickard and a land-donation from Boise entrepreneur Hans Borbonus; Kelly's Whitewater Park opened in 2010.



FIGURE 1: ONE OF THE CONTEST 4H DRAWINGS THAT DEPICTED THE COMMUNITY'S VISION

This first assessment of Kelly's impact on the region is based on a survey executed by the University of Idaho Extension during the 2011 season and could not have been done without the help from community volunteers.

2. Survey method and results

2.1 Sampling and accuracy

The study used a quantitative survey design with a self-administered questionnaire. Results are based on 243 interviews conducted in 24 sessions on 23 different days, randomly covering the open park-hours on weekdays and weekend days during the months of July and August (figure 2). With only eight interviewees (3%) refusing to answer, the survey results are accurate with plus/minus variations of 6% at 95% statistical confidence. The survey questionnaire is included as appendix 3. More details on study design and accuracy can be found in appendix 1, which includes a download link to the raw data and spreadsheet calculations.

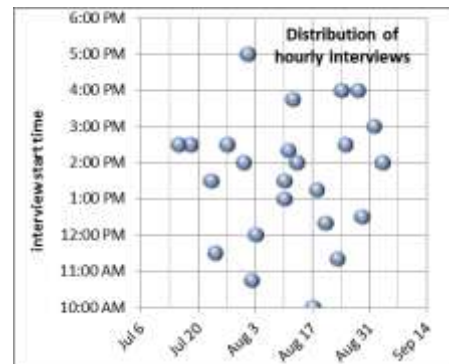


FIGURE 2: SURVEY COVERAGE. EVERY BUBBLE REPRESENTS A ONE-HOUR INTERVIEW SESSION ON A SPECIFIC TIME AND DAY.

Except for 3 out of 24 sessions, interviewers covered all attending groups at the park, resulting in coverage of 95+% of individuals visiting the park during the interviews. This allows us to determine that, even though attendance can fluctuate wildly from hour to hour and day to day (from as low as 2 to over 100 individuals), there is no correlation between hours of day and attendance ($r^2 < 0.01$).

2.2 Visitor profiles

2.2.1 Purpose of the trip

The survey asked visitors if Kelly's was the *primary destination* of their trip, *one of several destinations*, or if it was *not a planned destination* at all (figure 4). In combination with questions about spending, this allows us later to assess economic impact.

Visitors with Kelly's as primary purpose of the trip

About 10,000 of all 2011 visitors (25%) came specifically for Kelly's and represent the whitewater enthusiasts. More of them tend to stay at camp-grounds as opposed to hotels ($p=0.026$), and as a consequence, represent a lower estimated spending per day of \$27. With almost 40% of visitors in this group between the age of 30 and 40 years old, this age group is significantly younger than other visitor groups.

Visitors with Kelly's as one of several destinations

The majority (54%) of 2011 visitors had Kelly's as one of several destinations on their trip. They heard or knew about Kelly's and specifically made a stop or detour to visit the park. Most visitors in this group originate from outside of Valley County, and it has the largest proportion of out-of-state visitors. Based on reported spending categories, these visitors spent an estimated \$43 per day.

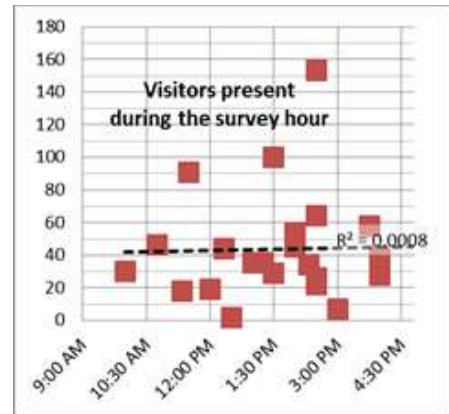


FIGURE 3: INDIVIDUALS IN THE PARK AT THE 24 (1 HOUR) INTERVIEW SESSIONS DURING THE SEASON. EACH BLOCK REFLECTS THE STARTING TIME OF EACH INTERVIEW SESSION AND THE NUMBER OF VISITORS PRESENT AT THE PARK DURING THAT SESSION

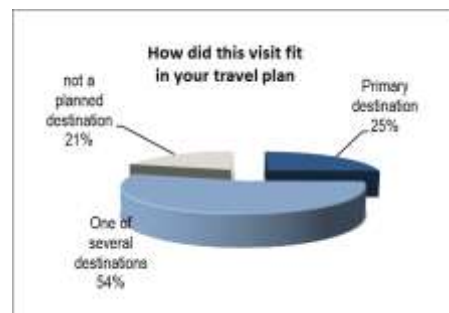


FIGURE 4: STATED REASONS FOR VISITING THE PARK

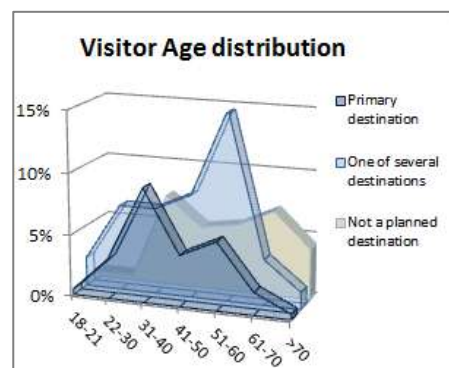


FIGURE 5: WHITewater ENTHUSIASTS (VISITORS WITH THE PARK AS PRIMARY DESTINATION) HAVE A LARGE REPRESENTATION IN THE 31-40 AGE GROUP

Visitors for whom Kelly’s was not a planned destination

One out of five visitors just happened to see the sign, heard about the park from locals, or for some other reason decided to pay the park an unplanned visit. On average, these visitors spent an estimated \$50 per day. Their feedback is consistent: Kelly’s Welcome Center, with impressive architecture and stunning river views, has indeed transformed Cascade into a destination. Half of the non-local visitors actually indicate that they intend to visit again.

2.2.2 Length of stay

Almost half of visitors (45%) stayed overnight within an hour drive from the park. The average length of stay was 3.7 days with no statistical between groups. Accounting for the 55% of visitors that made the trip in one day, overall average stay in the region was 1.7 days.

2.2.3 Choice of lodging

Fifty percent of visitors with Kelly’s as primary destination favored camping over other lodging choices, whereas only five percent of visitors with Kelly’s as “not a planned destination” chose to camp (and in developed campgrounds only).

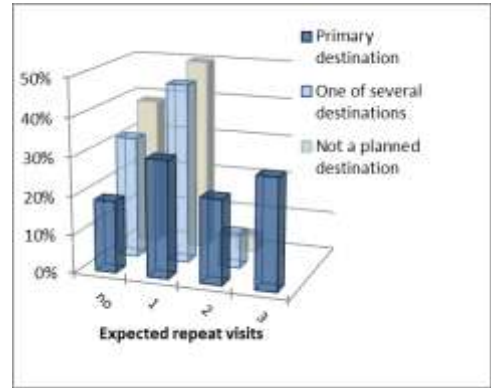


FIGURE 6: INDICATED INTENTION TO RETURN. ALMOST 50% OF NON-LOCAL VISITORS THAT “DID NOT HAVE THE PARK AS A PLANNED DESTINATION” INDICATED THAT THEY PLAN TO RETURN

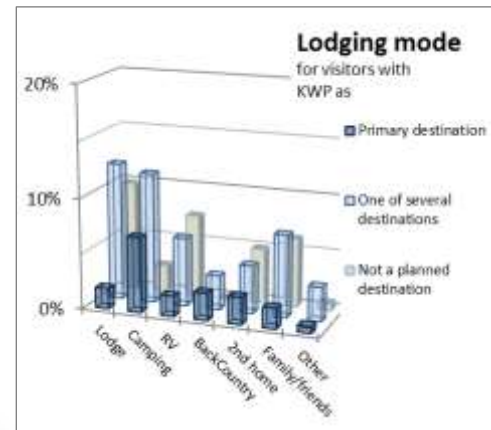


FIGURE 7: INDICATED CHOICE OF LODGING. WHITEWATER ENTHUSIASTS FAVOR CAMPING OVER ROOFED LODGING; OTHER DIFFERENCES ARE NOT STATISTICALLY SIGNIFICANT



KELLY’S WELCOME CENTER, WITH ITS IMPRESSIVE ARCHITECTURE AND STUNNING RIVER VIEWS, HELPS DRAW TOURISTS TO CASCADE

3. Visitor count

3.1 Introduction

The Payette River, like any Idaho river, is public access. Kelly's Whitewater Park can therefore not track visitors through registration or ticket sales. In 2010, Kelly's used counters and a guestbook; for 2011 the park upgraded to using an axle-counter. Since economic impact calculations generally result from daily visitor expenditures, it is important to validate the relationship between axle-count and *unique daily visitor count*³. A survey cannot provide exact answers for total visitation, but it can provide insight into average group size (i.e. passengers per car) and the possibility for double-counting (visitors that stay for the day and go in-and-out of the park more than once, thus creating axle counts that should not be counted).

An axle detector is a logical choice to estimate visitation for Kelly's, since the location of the park is such that access without automobile is unlikely for non-local visitors. The park chose to use the following assumptions in converting axle-count to visitor-count:

- All cars generally enter and exit the park through the same entrance. The staff therefore used one-fourth of the axle count as vehicle count – two impressions per car, coming and going.
- Based on sampling, each vehicle was assumed to carry 3 passengers on average.

Using these assumptions, visitation was calculated as $[3 \times (\frac{1}{4} \text{ axle-impressions})]$. Some potential pitfalls with this approach are as follows:

- *Double-count*: if the goal is to estimate the number of *unique* visitors per day, any party or person going into town for refreshments or lunch will create a double-count.
- *Axles per vehicle*: cars with trailers will distort the clean "4 axles per vehicle" method;
- *Bus visits*: buses distort the average per vehicle; the Kelly's staff chose to record bus visits.
- *Walk-in visitors*: the "Strand" is a walking route along the river and brings in local visitors from town. Kelly's staff made an estimation of daily pedestrian traffic (ranging from a low of 15 to a high of 100 visitors on a day). This pedestrian traffic was then added to the count derived from the axle-impressions.

³ There are three visitor counts that can be easily confused: daily entry count, daily unique-visitor count and unique-visitors per season. Think of Disney World, where you pay for a ticket, but can go in and out of a park more than once during the day. With a simple headcount using one gate (daily entry count) you would be counting those return visitors more than once (or ask them to pay again); Disney avoids this by hand-stamping you and have you return through a designated gate. The unique daily-visitor count, then, includes only the ticketed individuals and excludes the hand-stamped return visitors. The third count is the number of unique visitors per season- since some visitors stay more than one day, the number of unique visitors for the season is going to be lower than the sum of the unique daily visitors for the season, and is calculated as [sum of unique daily visitors for the season] divided by [average stay in days].

3.2 Validation of conversion factors

3.2.1 Double count to Kelly's

Visitors with Kelly's as primary destination and specifically using the water features for kayaking spend several hours to a full day at the park. A number of these visitors will drive into town for services and come back the same day, causing a double count.

As an example: if we have an axle count of 40 for the day and all vehicles were 2 axle-vehicles, we know that 10 cars entered and exited the park. If, however, two of the visiting cars (groups) went into town for lunch and then came back, the axle-count of 40 should be reduced with 4 to reflect that there were only 8 unique cars visiting.

We know from the survey that 25% of all visitors (26% of all visitor groups) have Kelly's as their primary destination. Unfortunately, we do not know how many of those visitors go into town during the day since the survey had not anticipated a question to check this. But if we make a (not unreasonable) assumption that one of every two dedicated visitors or visitor groups (looking only at the 25% of visitors have that Kelly's as primary destination) will leave and re-enter the park during the day we would overestimate the number of unique daily visitors by 12.5%.

3.2.2 Average passengers per vehicle

Every surveyed visitor was asked how many individuals were in their party or group. The average reported group-size is 4.5, with 80% percent of all groups having 4 or less individuals.

Using the following simple assumptions we can make an estimate of how many axles represent unique daily visitors:

- Groups of 7- 16 individuals use two cars;
- Groups of 18-19 individuals use three cars;
- All groups of 20 and larger use a bus and are not included in the average head-count calculation, since they were counted separately.
- The average axle-count is 2.2 axles per car, as found in visitor surveys from the nearby Payette National Forest⁴.

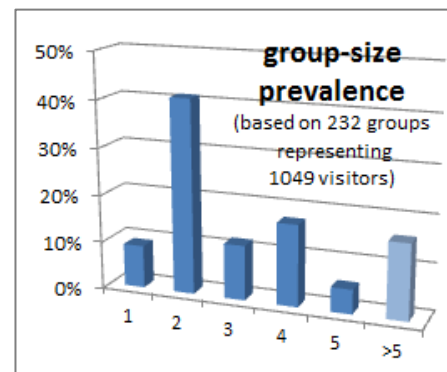


FIGURE 8: 80% OF ALL VISITORS VISIT THE PARK IN GROUPS OF FOUR OR LESS.

With these assumptions, the average number of passengers per 4-axle impression would be 2.96 (rounded to 3), the number that was also used by Kelly's staff.

3.2.3 Employees and volunteers

Kelly's deducted a set number of axle impressions to correct for car traffic from staff and volunteers. For future years it may be better to enter the raw data and show the deduction in calculations; the assumptions are then more transparent.

⁴ Kocis, Susan M, et al. 2003. National Visitor Use Monitoring Results, Payette National Forest. http://www.fs.fed.us/recreation/programs/nvum/reports/year3/R4_F12_payette_final.doc.

3.3 Validation against survey projections

A secondary means of validating the relationship between axle-count and actual visitation is through axle-counts on survey days. Survey hours were distributed randomly during the time of day, and most all surveys interviewed all visiting groups present at the park during the hour of surveying (chapter 2.1). Since there is no significant relationship between time of day and the number of visitors in the park, a daily count can be estimated by multiplying the average visitor count during survey-hours with the number of park hours. For any given day, this method would provide a very inaccurate visitor count, but, the results become sufficiently reliable if averaged over time and then should be in line with projections based on axle-counts.

We will, of course, encounter a similar problem of double-count as with the axle-count method: there is no way of accounting for visitors that only stay for an hour or stay for the entire day. If we again assume that half of the 25% of visitors that reported Kelly’s as primary destination will come and go twice, the averages per day using survey and axle-count projection are very close at 250 and 245 unique daily visitors respectively. Figure 9 shows the results from both projection methods side by side.

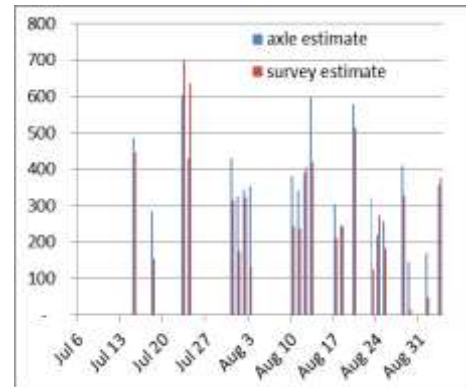


FIGURE 9: COMPARING SURVEY COUNT ESTIMATES WITH AXLE COUNTS. OVERALL DAILY AVERAGES ARE WITHIN 2% OF EACH OTHER.

3.4 Conclusion

With only one entrance to the park, the single axle-count method employed by Kelly’s captures all pertinent visitor traffic and circumvents the problems associated with free access to the park. In converting the axle-count to unique daily visitors we suggest the following assumptions:

	Kelly’s conversion	Suggested conversion	
visitors per vehicle	3 visitors per vehicle on average, as in the Kelly’s visitation counts	same for likely count; use median group size of 2.5 visitors for a lower bound	
axles per vehicle	use 2 axles per vehicle, going in and out	use 2.2 axles per vehicle in visitor projections	
double count to get unique visitors per day	not done	Use a 12.5% correction to calculate unique visitors per day, which assumes that 50% of kayakers (primary destination visitors) will go in and out of the park twice a day.	
walk-in visitors and visitation by bus	estimated at 3,814	same	
Resulting count for the season	daily-entry count	unique daily visitor count	
	count: 49,915	Likely count: 41,216	lower bound: 35,349

Using the likely count, the graphs in figure 10 represent the trend of unique daily visitors

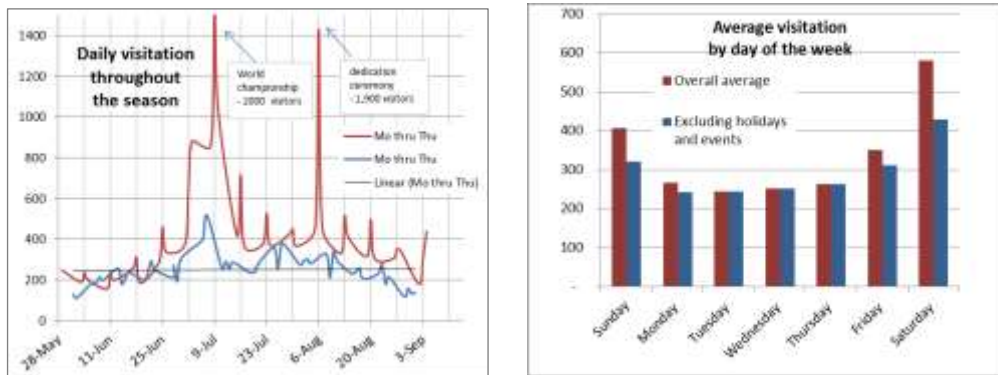


FIGURE 10: UNIQUE DAILY VISITORS IN THE 2011 SEASON

UNIQUE DAILY VISITORS DURING THE 2011 SEASON. THE BLUE LINE SHOWS VISITATION DURING MONDAY THROUGH THURSDAY; THE RED LINE SHOWS VISITATION DURING WEEKENDS, EVENTS AND HOLIDAYS

UNIQUE DAILY VISITORS THROUGHOUT THE WEEK. THE BLUE LINE EXCLUDES HOLIDAYS AND EVENTS

4. Kelly's Economic Impact Assessment

4.1 Methodology

There are different ways to determine the economic effect of an activity on a region. The most common way is through economic impact analysis where we assess the effect of new or changed expenditures on a region's economy. This type of analysis looks at Kelly's as a change in the economic structure of the community and then determines how the change cascades through local businesses and services.

NOTE that, even though estimates were adjusted to local market conditions, an economic impact analysis based on survey results is always an approximation.

Expenditures versus economic impact

Expenditures are the source of all economic impact. Kelly's had around 40,000 unique daily visitors in 2011 spending an estimated \$43 per day. This represents a total spending in the region of \$1.72 Million. However, not all that spending is *economic impact*. If 10 individuals visit Kelly's Whitewater Park, and each individual spends \$25 at a local gas-station in Cascade, it does not necessarily mean that Kelly's generated an economic impact of \$250. We are looking for a difference between "with and without" Kelly's; or, since Kelly's is only two years old, we can look at "before and after". If all 10 individuals are Valley County residents who now spent money in Cascade instead of somewhere else in Valley County, it is an "economic wash" for Valley County, but economic impact for Cascade.

Direct economic impact

Direct economic impact is incremental money spent by a visitor because of Kelly's -- money that otherwise would not have come into the region. The most common way of determining spending is through spending surveys. These surveys can:

- Ask in what categories (restaurants, gas, groceries, etc.) a visitor spent money during a trip, then using a "typical" amount to estimate total spending, or
- Ask a visitor to actually specify amounts.

There are advantages and disadvantages to both methods. This study uses spending categories, which are then translated into expenditures using typical spending amounts adjusted for the local region. For example: the survey asked visitors if they spent the night (hotel, 2nd home, RV-site, etc.) within one hour from Kelly's. Appendix 1 provides an in-depth overview of the assumptions and results for this analysis.

Indirect and Induced Impact

Indirect and induced impact represents the ripple-effect of a visitor's expenditure. For example: hotel sales and associated changes in hotel payments for wages and salaries, taxes, and supplies and services are all *direct effects* of the visitor's spending. The hotel's spending on linen service and food associated with the visitor is an example of indirect effect; in other words: *indirect impact* is the primary ripple where a direct expenditure causes demand for sub-contractors and suppliers.

Induced impact is a secondary ripple wave of expenditures from the households that owe a small portion of their income to that visitor's expenditure – the owners and employees of the hotel and sub-contractors in our example. They, in turn, may spend a portion of their income locally, thus again amplifying the economic impact. A *multiplier* then captures the indirect effects proportionate to the direct effect. A multiplier of 2.0 indicates that the ripple of indirect and induced impact equals the source (direct) impact. Larger regions, with many businesses and services using suppliers from within the region, typically have multipliers of 2.0 and higher. Most rural communities in the US, including Valley County, have experienced an erosion of the local value-chain over the last five decades and have very low multipliers. This analysis used a multiplier of 1.06 that resulted from an earlier study (see appendix 1 for more details).⁵

4.2 Visitor origin and destination: drawing the circle of impact

Where we draw the study-circle (around Cascade, Valley County, or Idaho State) and pairing this with origin and primary destination of a visitor will determine if and how spending translates into economic impact within the region. Some anecdotes from post-survey interviews may further illustrate this.

Example 1: State-level impact. A family from Colorado planned a 1-day stop-over in Cascade on their way to Yellowstone National Park, WY where they were going to spend

⁵ A multiplier of 1.06 is very conservative and indicates a shallow economy with few linkages. An updated analysis for 2011 may change the multiplier upward, although the underlying economic structure usually evolves slowly. Since it is preferable to keep impact estimates conservative, this analysis uses the 2009 derived multiplier with the added benefit of making the results of the 2009 study comparable with the results of this analysis.

the rest of their 10 day vacation. They listed Kelly's as one of several destinations on their trip. The wife of the family was a whitewater enthusiast, hence the detour. When interviewed at the park, the husband (not a kayaker) asked the interviewer if fishing was allowed. When he found out it was allowed he immediately got out fishing poles for himself and their two kids. A week later, the family was still in Valley County doing side-trips in the morning and spending afternoons in the park – they never left for Wyoming. In this case the economic impact was at state-level since the family would have gone to Wyoming if not for Kelly's.

Example 2: County-level impact. An elderly couple from Caldwell (a two-hour drive from Kelly's) took visiting family for a day-trip to Valley County, specifically with Kelly's as destination (in their words: "a nice place to take visitors when you want to escape the summer-heat, but McCall is just a little far for us..."). If not for Kelly's they would, in this case, not have made the trip to Valley County.

Example 3: Cascade-only impact. A couple stayed at a McCall hotel (some 45 minutes north from Cascade), and heard about Kelly's at a local antique shop just outside of McCall. Instead of doing another side-trip in the immediate area of McCall they visited Kelly's and combined it with lunch in Cascade. In this case, the economic impact on Valley County as a whole is neutral (or at most amounts to some extra gasoline sales). However, if not for Kelly's, the City of Cascade would not have seen economic impact from this couple.

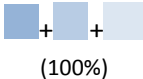
The survey was designed to find out where a visitor originates from, how the visit to Kelly's fits in a group's travel plans and what spending in the area the trip generated. The table below summarizes how the answers affect economic impact in the region. The percentage of visitors in each category is derived from the survey results.

	With the visitor originating from			
	Valley County*	Idaho State**	Out-of-state	
Visiting KWP is:	the Economic Impact:			
... the primary purpose of the visit	...is limited to Cascade (5%)	...affects all of Valley County (18%)	...affects all of Idaho (2%)	25%
...one of several planned destinations	...is limited to Cascade (2%)	...Valley County or Cascade (33%)	affects State or county (19%)	54%
...not a planned destination (i.e. saw the sign; was told at our hotel)	...is limited to Cascade (1%)	...is limited to Cascade (15%)	...is limited to Cascade (5%)	21%
* Includes visitors from New Meadows	8%	65%	26%	100%
**excluding Valley County + New Meadows				

TABLE 1: ECONOMIC IMPACT BY DESTINATION-ORIGIN

We can also summarize this matrix as follows:


Impact on Cascade's economy:



(100%)

Kelly's made Cascade into a more competitive tourist destination. In doing so it generated an economic impact to Cascade's 2011 economy of around \$436,000 - much of it in supplies and camping fees. The impact represents 5.5 seasonal jobs (excluding the jobs at the park).

Impact on Valley County's economy:



(39%+33%)

Four out of five visitors with Kelly's as *primary destination* originated from outside of Valley County and generated incremental economic impact for the region. Visitors that had Kelly's as *one of several planned destinations* do not necessarily generate incremental impact for Valley County; only if they otherwise would not have spent time, or less time, in Valley County. This study assumed that one-third of visitors "with Kelly's as one of several destinations" generated incremental impact for the region. In other words: one-third of visitors would not have made Valley County their destination without Kelly's. This assumption is not unreasonable and backed by anecdotal evidence. It can also be argued that, with Kelly's as added destination, the visitor's time spent in the region may be longer. All of these assumptions are not easily quantifiable, however, and serve to bookend the likely range of economic impact.

If we take all of this into account the study estimates that 15,000 of the 40,000 unique visitors were new (incremental) to Valley County. This translates into an economic impact on Valley County of approximately \$600,000, representing 7.6 seasonal jobs and a tax impact of around \$84,000 (equally divided over state and federal receipts).

4.3 Distribution of impact over the region

We would expect Kelly's economic impact to be more concentrated in Cascade since most of the 40,000 visitors were new to Cascade, and only 15,000 visitors were new to Valley County. In that case we would expect taxable sales in the City of Cascade (at around \$6 million for the summer months) to show a significant upward trend relative to the other regions in Valley County, since Kelly's was the only significant change in the economic structure of Cascade in 2011. The actual trends in taxable sales throughout the region do not support that, however. Figure 11 shows us that any economic impact from Kelly's is either distributed evenly over the region or, if it only registers in a sub-region, is small relative to the overall taxable sales. Note that the data in figure 11 includes all taxable sales whereas figure 12 shows taxable sales in the lodging sector only. Lodging data is not available by zip-code; the scale of the sector at the single zip-code level is too small to assure anonymity of data.

Two reasons can explain the more even distribution of impact across the region. The first reason is that the 25% of visitors that are whitewater enthusiasts are, on average, a younger crowd that tends to camp as opposed to stay in a hotel.

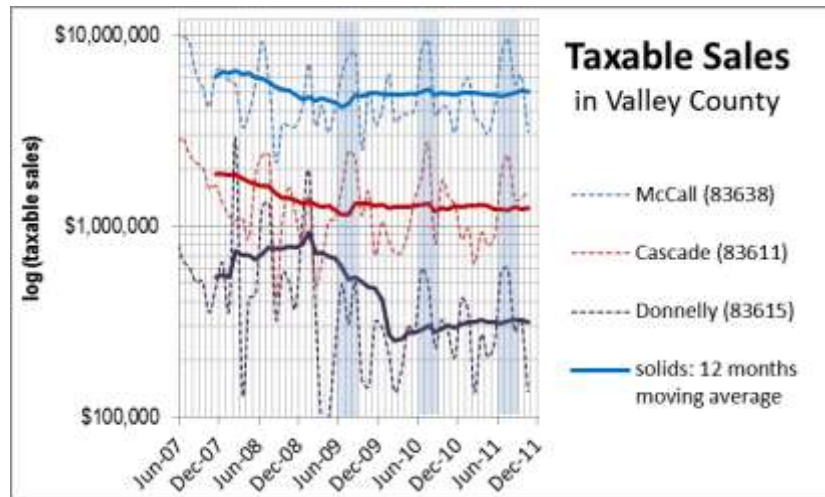


FIGURE 11: TAXABLE SALES IN THE 3 SUB-REGIONS OF VALLEY COUNTY. THE 2009 SEASON (GREY BAND) IS THE SEASON PRIOR TO THE OPENING OF KELLY’S. NOTE THAT THE DONNELLY AREA IS PARTICULARLY STRUCK BY THE REAL-ESTATE SLUMP.

Their average spending per day is thus lower. The second reason has to do with Cascade’s ability to capture spending. Kelly’s provided a reason for visitors to stop in Cascade, but having them spend money on value-added services or on food, supplies or lodging in Cascade is a second step that does not automatically follow.

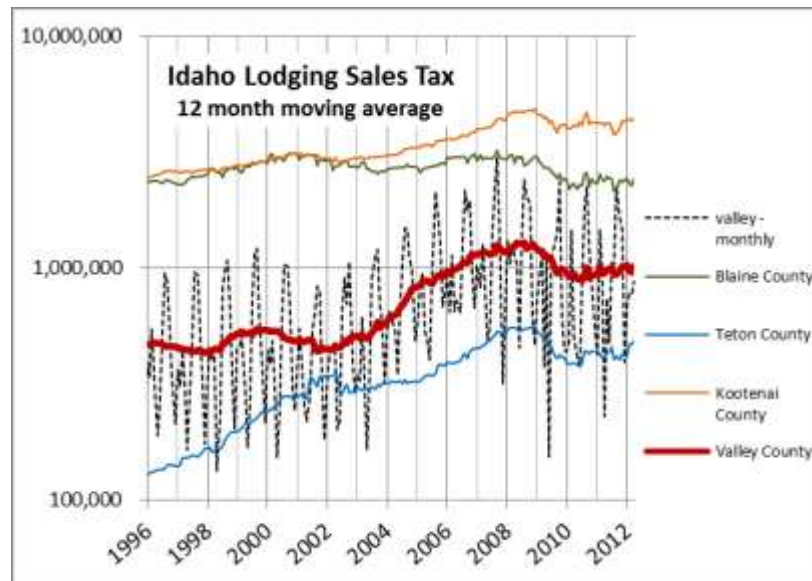


FIGURE 12: IDAHO LODGING SALES TAX AS A LONG-TERM INDICATOR FOR HOSPITALITY IN IDAHO. BLAINE COUNTY (SUN-VALLEY), KOOTENAI COUNTY (COEUR D’ALENE) AND TETON COUNTY (ADJACENT TO JACKSON HOLE) ARE ALL COUNTIES THAT ARE, LIKE VALLEY COUNTY, STRONGLY DEPENDENT ON THE RECREATION INDUSTRY.

The study estimates that a significant portion (about 45%) “leaks out” to other communities in Valley County. Some of this leakage is natural, but the park’s location (just outside walkable distance of Cascade’s downtown) makes economic spillover to the town’s existing businesses

and services difficult. If more connected, the park would provide welcome “gravy” for existing businesses and services; a duplicate business location close to the park, however, does not make economic sense. Bringing the town, one way or another, within walkable distance of the park is the intriguing challenge.

4.4 Actual Impact versus expectations

A 2009 study projected that a whitewater park in Valley County, once developed to its full potential, could generate an economic impact of up to \$8 million for Valley County. The study specifically stipulated “full potential”, since an amenity (just like a business) requires a number of years to establish market recognition and momentum. Table 2 compares the 2009 projection with the 2011 findings. Even though 2011 marked only its second year of existence, Kelly’s has already established itself a reputation in the whitewater community, hosted National Championships in 2011 and 2012, and will host the Idaho International Championship in 2013.

Kelly's WhiteWater Park - Economic Impact	2009 projection at full potential (5-7 yrs)		Actual 2011 (year 2)
	lower bound	upper bound	estimated
number of visitors with incremental economic impact to the region	40,000		15,498
total direct, indirect and induced impact	\$1,399,200	\$8,162,000	\$599,191
tax impact (50% Federal/50% state)	\$205,714	\$1,200,000	\$84,486
average spending per day	\$33	\$121	\$43
average days spent in the area	1.6		1.7
economic multiplier	1.06		from 2009 study
impact per visitor	\$35	\$204	\$39
employment impact (direct, indirect and induced)	12.6	103.0	7.6

TABLE 2: COMPARISON OF 2011 IMPACT WITH 2009 PROJECTIONS

Based on regression analysis, the 2009 study concluded that the most important driver for Kelly’s economic impact would be the population within a 50-200 mile range.

This prediction is in line with the 2011 survey statistic that almost 70% of visitors originate from within a 3 hour traveling radius (100-200miles) from the park⁶.

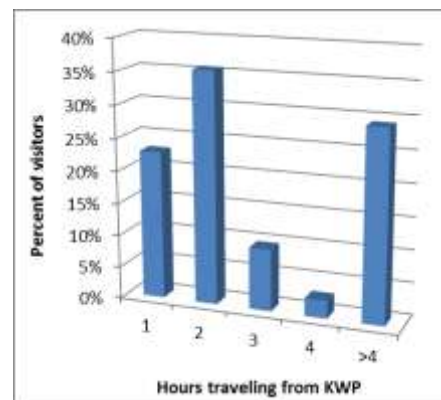


FIGURE 13: VISITOR ONE-WAY TRAVEL TIME TO VISIT THE PARK

⁶ With a 2-hour drive to the Boise airport, a 3-hour travel radius virtually excludes air-travel

5. Other economic benefits

Valley County's economy, since its settlement in the late 1800s, was largely dependent on ranching and logging. With the gradual loss of these sectors, the region steadily moved to tourism as its dominant economic sector. Apart from some construction of second-homes in its vicinity, Cascade had only marginally capitalized on this growing tourist sector. Kelly's seems to have brought sufficient limelight to make a difference. A short-term study like this will not fully confirm this, but the following examples are indications of economic benefits beyond (expenditure derived) impact.

A telltale of property values

For good reasons, economists often use property values as an indication of image, attractiveness, or perceptual impact ("hedonic pricing"). This method can be used to capture the value of waterfront property, shady trees, or the vibrancy of a downtown, and takes a very different approach to assess economic effects. From this perspective, Cascade made headlines in the McCall Star-News (the local newspaper) in the autumn of 2011.

Cascade was cited as "Bucking the trend [of stagnant housing prices]". It was the only sub-region in Valley County in 2011 that managed to increase real-estate sales over 2010 (both in homes and empty lots). In a post-survey interview, one kayaker (a baby-boomer) remarked that he purchased a home near Cascade because of the park's presence. Anecdotal evidence does not confirm a trend, but it does show that Kelly's is at least a factor in Cascade's strong real estate performance.

Economic spillover

An example of economic spillover is the establishment of a whitewater oriented school in Cascade. Alzar is a preparatory school using the outdoors as its educational setting. In 2011 the school chose the Payette River, just downstream from Kelly's, as the location for its base campus. It commenced construction and started hiring staff in 2012⁷.

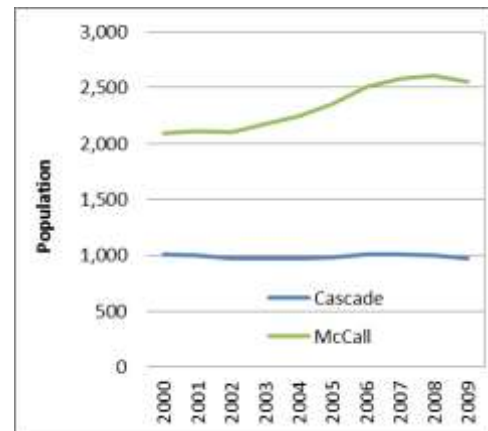


FIGURE 14: CASCADE'S POPULARITY STAYED STAGNANT DURING THE PREVIOUS DECADES AS EVIDENT BY ITS (LACK OF) POPULATION GROWTH THROUGH THE TAMARACK BOOM.

⁷Base Campus | Alzar School. <http://www.alzarschool.com/about/base-campus>, last accessed: July 2012.

6. Discussion

Bringing 15,000 incremental visitors to Valley County in its second year of existence, Kelly's Whitewater Park is on track to have significant economic impact on the region. At this time the impact on Valley County is still modest at a \$600,000, but the added amenity makes the region more attractive to residents and visitors alike. As such it both broadens and strengthens the activity base for the county, and allows for compounding impacts that makes the regional economy deeper and stronger.

The park's economic significance is much higher for the City of Cascade by making Cascade into a more competitive destination. Any economic impact, however, is ultimately the result of the region's ability to translate spending potential into actual spending. What does that mean for Cascade?

Imagine a visitor group leaving Kelly's around lunch time. Will the city's restaurants capture the visitor's spending for lunch, will visitors go to the local grocery store and make lunch at the camp-site or will they drive to nearby McCall to have lunch? How attractive (or possible) is each option to the visitor. We know from studies in neighborhood and retail economics that walkability, connectivity and urban design plays a significant role in economic spillover between amenities, hospitality and retail⁸. After all: we may get tempted to linger after a movie if there is an ice-cream parlor next to the theater, but otherwise we might just go home. If an amenity is not close, not visible, or the way to it is simply not encouraging, the spending potential may go elsewhere or never materialize. The open comment section of the questionnaires resulted in a number of suggestions with respect to amenities (appendix 3), and a frequent question for our surveyors, after completing the survey, was for recommendations for restaurants and amenities.

The lack of these facilities or opportunities at the park is, to a certain extent, by design. Kelly's 501(C)3 intended the park to be a driver of economic opportunity for the community, not to take those opportunities for itself. But the distance and limited connectivity to Cascade's downtown limits economic spillover from the park (NOTE that increased impact for Cascade would have been at the expense of impact now occurring elsewhere in the county). The park is located in the city's area of impact⁹, and its urban setting is therefore a shared responsibility of city and county. A joint visioning of that urban setting may be an important step in meeting the challenge to connect Kelly's with other amenities, be it county or city amenities.

⁸ See for example: *Making Cities Work: Prospects and Policies for Urban America*, ed. Robert Inman. Princeton: Princeton University Press.

⁹ The area of city impact is unincorporated land within the immediate area around the city. The area of impact is land that may lend itself for natural expansion in which case it would be annexed by the city. To fairly represent residents and/or interests in the area, Idaho law requires that the area is jointly governed by city and county through a separate ordinance (Idaho title 67 chapter 65).

Lastly: this study used a (low) multiplier of 1.06¹⁰, meaning that any direct impact generates a mere 6% of indirect and induced impact. This multiplier effect can increase significantly if the park can induce higher value-added activities. Compare the impact of gasoline sales (with almost no added-value occurring inside the region) with kayak instruction (with almost all added-value in the region, assuming that the kayak school is local). The spending per unique visitor of the two examples may be very similar, but, a kayak lesson may double or triple the effect of its initial spending through the ripple effect in the local economy.

¹⁰ Many recreation studies use a multiplier of 1.4-2.0 (appendix 1); at a 2.0 multiplier, the 2011 impact of KELLY'S on Valley County would be \$1.1 million instead of the current estimated \$600,000.

7. Appendices

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Appendix 1: Research methods and assumptions

Data download

All raw data, spreadsheet calculations and statistical analysis can be downloaded from the following [link](#)¹¹.

Survey design

This study used a quantitative survey design with a self-administered questionnaire. The study qualifies *as exempt from federal regulations for the protection of Human Subjects* and is approved as such by the University of Idaho Institutional Review Board (Appendix 2). The results are based on 243 interviews conducted at 24 sessions. The sessions randomly cover the open park-hours on weekdays and weekend days during the months of July and August. The interviews were intended to capture the “average visitor”, and no interviews were conducted during large events (like the Ford National Freestyle [kayak] Championships in early July, and the unveiling of a Veterans Memorial Statue in early August). Each interview window generally lasted one hour, and, with very few exceptions, interviewers managed to reach all visiting groups during that hour and could therefore avoid having to use a method to randomly select groups. With only eight interviewees (3%) refusing to answer, the findings from the survey are a good indication of overall visitation.

Statistical confidence and accuracy of results

Direct answers from the survey

Like with so many surveys in recreation (National Parks Visitor Satisfaction, State Park Visitor Monitoring, etc.), this questionnaire asks an individual to not only represent him or herself but also asks the interviewee to represent certain behaviors or choices of the group that the interviewee is part of. In other words: the survey design assumes that interviewees are pulled from the pool of [all individual visitors], whereas some or all of the results are used to represent the choices of groups (pulled from the pool of [all groups]). The required number of surveys, however, is usually determined by the number of visitors, not groups¹², invariably assuming a maximum (worst case) variability in responses of 50% (which means that, for example, for every visitor that has Kelly’s as planned destination, it is assumed that there is one that does not have Kelly’s as planned destination). With these parameters, the required sample size to obtain the customary 95% confidence with 5% accuracy of social studies would be 381 surveys for a visitor population of 41,250.

¹¹ Download address: <http://www.valleyExtension.org/wp-content/uploads/reports/Kelly's.zip>; the zip file contains an excel spreadsheet with all calculation, a MS Access database with the survey data and an excel spreadsheet with the taxable sales data.

¹² Dillman, Don A., Jolene D. Smyth, Leah Melani, Christian, and Don A. Dillman. 2009. *Internet, Mail, and Mixed-mode Surveys : the Tailored Design Method*. Hoboken, N.J.: Wiley & Sons, p.20

The study only completed 243 surveys, simply because of resource limitations (this project was not budgeted for). Variability in response was quite narrow for most questions, however; for example: 21% of visitors had Kelly’s as unplanned destination. Using a variability $p=30\%$ (as opposed to 50%), we would then attain an accuracy an accuracy of $\pm 5.7\%$ (rounded: 6%) at 95% confidence. If we instead treat respondents as fairly representing their *groups* (the questions of this survey are group oriented and thus lend themselves to this), then accuracy and confidence levels are substantially greater, and group-related answers would then enjoy an accuracy of 2.7% with a 95% confidence. Doing this also mirrors the actual survey behavior: the majority of respondents were observed to consult their party on many of the questions.

Since treating groups as opposed to individuals as respondents is unorthodox, we will work with $\pm 6\%$ accuracy at 95% confidence for direct answers from the survey. The exception to this conclusion pertains to the average stay per visitor, which is explained below.

Lower accuracy on average stay per visitor

One of the questions recorded information on the length of stay in the area and the type of lodging used. When the questionnaire was piloted, all responses were as expected. Once we collected larger numbers of surveys, however, we found that some visitors answered [yes] to staying in the region, selected a lodging mode but then leaving the final question on the number of nights stayed in the region unanswered. When we changed the order of questions on this subject (figure 1) this ommittance was largely resolved. We do have 71 surveys with this issue, however, reducing the accuracy for average-stay to $\pm 7\%$

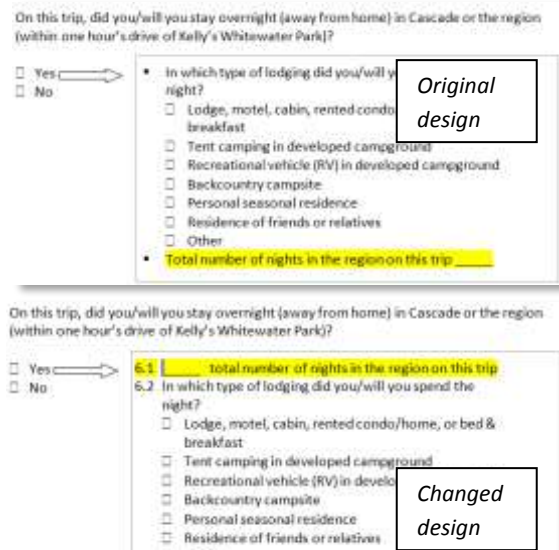


FIGURE 15: THE ORIGINAL QUESTIONNAIRE HAD SOME UNANSWERED RESPONSES ON LENGTH-OF-STAY. THIS WAS LARGELY RESOLVED BY MOVING THE QUESTION UP IN ORDER.

Economic Impact

Direct economic impact is incremental money spent by a visitor because of Kelly’s -- money that otherwise would not have come into the region. In order to determine total impact we will (I) estimate expenditures of visitors, (II) convert expenses into direct economic impact based on visitor origin and visit purpose, and finally (III) look at indirect, induced, tax and employment effects.

I Visitor Expenditures

Visitor expenditures are estimated through the following steps and assumptions:

- A. **Determine spending behavior** through the survey: visitors indicate spending in categories while in the region

- B. **Assign spending choices to destination cohorts** (i.e. visitor cohorts with Kelly's as: primary destination; one of multiple destinations; not a planned destination)
- C. **Determine average stay per cohort** and any statistically significant differences in behavior
- Average stay is not significantly different between cohorts and is 3.7 nights for those that do stay over, or 1.7 if day-trippers are included in the equation
 - There is a statistically significant difference in lodging choice among visitor groups: 50% of Visitors with Kelly's as primary destination favor camping or back-country camping over other lodging modes whereas only 5% of those that do not have Kelly's as a planned destination are campers (with no back-country camping). This is also an indirect validates of the destination question - kayakers are indeed prone to camp.
 - No surprise: there is a strong correlation between driving time and overnight stay. *Day-trippers not from Valley County* drive an average of 1.65 hours one-way; this number is not significantly different for visitors with Kelly's as primary destination or those that did not pre-plan to visit Kelly's. The group with Kelly's as one of multiple destinations is a more diverse group. Their average driving time was 2.2 hours to still make Kelly's destination without planning a stay in the immediate region, suggesting that Kelly's is not necessarily part of a round-trip.
- D. **Determine spending for the survey sample:** the actual lodging and spending behavior of the survey sample (representing 1,049 unique daily visitors) is converted into spending using the following assumptions. The calculation of spending for the total survey sample uses the actual reported group-size and staying times.
- lodging:
 - hotels: 1-3 person per room at a average of \$65/night
 - RV: up to 5 persons per RV at an average of \$28/night
 - Camping: up to 4 persons per camp-site, \$18/night
 - \$8.50 for restaurant and bar; spending per person and per day using different weights for the different lodging modes (weights: hotel=200, back-country=70; camping, RV, 2nd Home=100, everything else=70)
 - \$9.30 groceries and take-out: spending per person per day with different weight day using different weights for the different lodging modes (weights: hotel=25, back-country=50; camping, RV, 2nd Home=100, everything else=50)
 - gasoline: spending per group and maximum purchase of one per week - 75% x 23 gallons x \$3.80
 - other: a \$10 purchase per 2 persons per week
- Any of the assumptions can be changed in the underlying spreadsheets in the downloadable workbook.
- E. **Extrapolate the sample spending to the total visitor population:** using the above assumptions, the total visitor spending (before tax) of the survey sample amounts to approximately \$70K. This sample spending is than extrapolated to a total visitor spending of \$1.72 Million using the following algorithms:
- The sample represents all different visitors in the estimated total 41,251 unique daily visitors for the 2012 season. At an average stay of 1.7 days, the 41,251 unique daily visitors represent 24,586 unique visitors per season. With the sample size representing

1049 visitors, we are therefore estimating total visitor spending by multiplying the sample spending with a multiplier of 23.

- A 6% sales tax is added to all expenses, as well as a 2% lodging tax to any lodging fees.

II Conversion to direct economic Impact

The conversion from spending to economic impact is a function of visitor origin, purpose of visit and the ability of an area to actually capture the spending potential. The origin-destination matrix in table 1 is used to allocate economic impact. The matrix parses visitors according to origin and purpose of visit based on the survey results:

	With the visitor originating from			
	Valley County*	Idaho State**	Out-of-state	
Visiting KWP is:	the Economic Impact:			
... the primary purpose of the visit	...is limited to Cascade (5%)	...affects all of Valley County (18%)	...affects all of Idaho (2%)	25%
...one of several planned destinations	...is limited to Cascade (2%)	...Valley County or Cascade (33%)	affects State or county (19%)	54%
...not a planned destination (i.e. saw the sign; was told at our hotel)	...is limited to Cascade (1%)	...is limited to Cascade (15%)	...is limited to Cascade (5%)	21%
* Includes visitors from New Meadows	8%	65%	26%	100%
**excluding Valley County + New Meadows				

TABLE 1: ECONOMIC IMPACT BY DESTINATION-ORIGIN

We can then create direct impact scenarios (table2 on next page), using the following assumptions:

1. Expenditures and lodging from visitors with Kelly's as *primary destination* is all incremental and will 100% translate into economic impact -- be it for Cascade or Valley County.
2. Expenditures from visitors with Kelly's as *one of several destinations* may or may not be incremental; the question here is if Kelly's was the reason for the respondent to visit Valley County, or if visiting Valley County was an opportunity to visit Kelly's. We used a "bottom" scenario where only 10% of expenditures of this group are incremental and a "likely" scenario where 1/3 of expenditures are incremental. Anecdotal information from the surveys suggests that assigning 1/3 of expenditures is realistic, but the survey design does not offer any help here and there is no further confirmation of this assumption.
3. Visitors with Kelly's *not as a planned destination* already had a place to stay, so lodging expenses are considered incremental for this group (undoubtedly there will be a case where a visitor decided to spend the night in Cascade because of visiting Kelly's, but that would be an exception). Expenses for restaurants, groceries etc. may be a different matter. The City of Cascade was not a strong tourist destination before Kelly's, so with this group of visitors now stopping in Cascade, it allows the city to capture some of the transferable expenses for restaurants, groceries etc. that would otherwise have taken place somewhere outside of Cascade. From Valley County's vantage point it would be an economic wash if those expenses are actually transferred, and we considered none of the expenses of this visitor group as incremental. But for Cascade this *would* be an economic impact – and an economic

loss for McCall or Donnelly if transferred from there. For reasons mentioned in the discussion section, Cascade is only able to capture a portion of these transferrable expenses. If substantial transfers would have taken place in Cascade, this would have been evident in the sales-tax reports for the Cascade zip-code (chapter 4.3). We therefore assumed a likely scenario with only 10% of expenses transferred to Cascade.

Table 2 shows scenarios with 10 and 50% transfer.

* Captured direct economic impact is estimated at 55% from potential impact.		not a planned destination	one of several destinations	primary destination	direct impact			
"Bottom" scenario: only visitors with KWP as primary destination are considered								
1. All expenditures from cohort Dest 1 (KWP is primary destination) is incremental - 100% impact								
2. we attribute only 10% of lodging and other spending from cohort 2 (KWP among multiple destinations) to KWP								
3. No lodging for cohort 3 is incremental, but 10% of reported expenditure takes place in Cascade as opposed to elsewhere in Valley County								
contribution due to KWP	lodging			0%	10%	100%		
	other			10%	10%	100%		
Cascade only	lodging	from origin~destination matrix	100%	\$ -	100%	\$ 51,576	100%	\$ 45,790
	other			\$ 22,948	\$ 54,742	\$ 236,603		
Valley county	lodging	0%	96%	\$ -	81%	\$ 49,477	\$ 37,085	
	other			\$ -		\$ 52,514		\$ 191,621
sub-totals by region	(likely captured*) impact on just Cascade			\$ 22,948		\$ 106,319		\$ 282,393
	impact on entire county/region			\$ -		\$ 101,991		\$ 330,696
"Realistic" scenario: a portion of visitors with KWP as one of their planned destinations are included in impact								
1. same as above: All expenditures from cohort Dest 1 (KWP is primary destination) is incremental - 100% impact								
2. we attribute one-third (33%) of lodging and other spending from cohort 2 (KWP among multiple destinations) to KWP								
3. No lodging for cohort 3 is incremental, but 50% of reported expenditure takes place in Cascade as opposed to elsewhere in Valley County								
	lodging			0%	33%	100%		
	other			50%	33%	100%		
Cascade only	lodging	from origin~destination matrix	100%	\$ -	100%	\$ 170,202	100%	\$ 45,790
	other			\$ 114,738	\$ 180,649	\$ 236,603		
Valley county	lodging	0%	96%	\$ -	81%	\$ 163,273	\$ 37,085	
	other			\$ -		\$ 173,295		\$ 191,621
sub-totals by region	(max potential*) impact on just Cascade			\$ 114,738		\$ 350,851		\$ 747,982
	Valley county and or Idaho (excl Cascade)			\$ -		\$ 336,569		\$ 228,706

TABLE 2: IMPACT TABLE (FROM WORKBOOK: SHEET=IMPACT)

III Conversion to total (direct, indirect and induced) impact

The total ripple or multiplier effect is dependent on the value-chain of a business, the locality of sub-contractors and the extent of local ownership in a particular region.

The National Park Service in partnership with the Michigan State University and the University of Idaho has developed a simple Money Generation Model (MGMv2) that provides a worksheet to capture "typical" expenditures from tourism as well as average multipliers for typical spending categories like lodging and restaurants¹³. The MGM2 multipliers range from 1.25 to 2.0.

Specialized data-mining companies (notably MIG/IMPLAN and EMSI in Moscow, ID) do an analysis of state and county data that allow for more localized estimations. A 2009 University of Idaho Student Project did an economic impact forecast using IMPLAN data and estimated the multiplier at a (very low) 1.06, thus typifying the Valley County economy as "shallow", or lacking linkages. Since the economic structure underlying multipliers changes only very gradually over

¹³ URL: <http://mgm2impact.com/>

time, we will use this same multiplier of 1.06, employment impact and tax implications from that report in the current study.

Taking the direct impact from **Table 2: Comparison of 2011 impact with 2009 projections**) we can then estimate a likely economic impact for Kelly's, and compare it with the previous study (Table 3).

Kelly's WhiteWater Park - Economic Impact	2009 projection		Actual
	at full potential (5-7 yrs)		2011 (year 2)
	lower bound	upper bound	estimated
number of visitors with incremental economic impact to the region	40,000		15,498
total direct, indirect and induced impact	\$1,399,200	\$8,162,000	\$599,191
tax impact (50% Federal/50% state)	\$205,714	\$1,200,000	\$84,486
average spending per day	\$33	\$121	\$43
average days spent in the area	1.6		1.7
economic multiplier	1.06		from 2009 study
impact per visitor	\$35	\$204	\$39
employment impact (direct, indirect and induced)	12.6	103.0	7.6
Cascade only			
number of visitors with incremental economic impact to Cascade	not forecasted		13,129
potential economic impact (not necessarily captured)			\$792,861
likely capture rate: 55%			\$436,358
employment impact (direct, indirect and induced)			5.5

TABLE 3: PROJECTED VERSUS ACTUAL IMPACT

Appendix 2: UI-IRB approval

University of Idaho

Office of Research Assurances
Institutional Review Board

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IRB No.: IRB00000843

FWA: FWA00005639

Date: Approved as Exempt July 13, 2011

Project: 11-002 has been approved as Exempt under Cat 2
'Kelly's Whitewater Park Economic Impact Survey'

On behalf of the Institutional Review Board at the University of Idaho, I am pleased to inform you that the above-named project is approved as exempt from review by the Committee. Please note, however, that you should make every effort to ensure that your project is conducted in a manner consistent with the three fundamental principles identified in the Belmont Report: respect for persons; beneficence; and justice.

Should there be significant changes in the protocol for this project, it will be necessary for you to resubmit the protocol for review by the Committee.



Traci Craig

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Appendix 3: Survey Questionnaire

About this survey

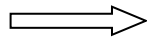
Kelly's Whitewater Park and the University of Idaho Extension are interested in collecting information from visitors to help understand how the park can best contribute as an amenity to this region. The survey should take just a few minutes to complete. Your responses are voluntary, anonymous and confidential - your completed survey is handled by the university only, which then provides a summary of your responses combined with those of others to the park and region.

1. Prior to this visit, how did you learn about Kelly's Whitewater Park?
Please mark all that apply.
 - live in local area
 - friends/family/word-of-mouth
 - internet/web site
 - newspaper/magazine
 - local businesses/hotels/shops, etc.
 - drive-by sign
 - other: please specify _____
2. On this visit to the Park, how many people are in your personal group, including yourself?
_____ (number)
3. How did this visit to Kelly's Whitewater Park fit into your travel plan? Please mark only one.
 - primary destination
 - one of several destinations
 - not a planned destination
4. How many hours driving is your primary residence from Kelly's Whitewater Park?
 - Less than 1 hour
 - 1-2 hours
 - 2-3 hours
 - 3-4 hours
 - More than 4 hours
5. Please provide the number of visits you personally have made, or hope to make, to Kelly's Whitewater Park this season.
 - one time
 - 2-4 times
 - 5-9 times
 - 10 or more

...over ->

6. On this trip, did you/will you stay overnight (away from home) in Cascade or the region (within one hour's drive of Kelly's Whitewater Park)?

Yes
No



6.1 _____ total number of nights in the region on this trip

6.2 In which type of lodging did you/will you spend the night?

Lodge, motel, cabin, rented condo/home, or bed & breakfast

Tent camping in developed campground

Recreational vehicle (RV) in developed campground

Backcountry campsite

Personal seasonal residence

Residence of friends or relatives

Other

7. On this trip, have you made, or do you plan to make, purchases in any of the following categories?

Please mark all that apply.

equipment rental, guide fees

restaurants and bars

groceries and takeout food

gas and oil (auto, RV, boat, etc.)

other (souvenirs, books, clothing, sporting goods, etc.)

And now a few background questions to help us know if we've heard from all different kinds of people using the park.

8. Your Age (please circle range): 18-21 22-30 31-40 41-50 51-60 61-70 71 and above

9. Your gender? ___ Male ___ Female

10. Your home ZIP code or Country (if not USA): _____

11. In your opinion, how could Kelly's Whitewater Park or Cascade improve your experience?

*Principal investigator: Willem Braak, Valley County Extension, phone: (208) 382-7190
University of Idaho Institutional Review Board approval nr: IRB00000843*

Appendix 4: Comments from visitors

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31 **Facilities & Hospitality**

3	California		
		LA JOLLA	changing rooms
		COSTA MESA	golf cart for walk
		BIG SUR	It's great as is. Maybe a shady tree or an awning at the upper wave, so my wife can enjoy watching without getting baked by the sun.
1	Colorado		
		GRAND JUNCTION	Better local coffee shop like Payette River Coffee shop and bistro
19	Idaho		
		POCATELLO	taco stand in parking lot
		KETCHUM	On-site camping.
		CASCADE	Maybe some food here at the park.
		DONNELLY	bar
		EAGLE	campground
		MC CALL	Provide refreshments at the park. Provide a notice at the entrance that tubes are available in park.
		Meridian	more/better restaurants
		Meridian	more refreshments
		STAR	Maybe have vending of foods and drinks.
		WEISER	Food and drinks would be nice!
		NAMPA	food court
		BOISE	I would love to see the swimming pool go in near the Whitewater Park; it seems like a natural fit.
		BOISE	showers and hot tub
		BOISE	shoe catcher:)
		BOISE	add a better coffee shop - espresso machine!
		BOISE	Transportation for tubing and kayakers.
		BOISE	Need food vendors and beer gardens.
		BOISE	air to inflate tubes
		KINGSTON	Beer gardens
1	Louisiana		

	NEW ORLEANS	(pay for) showers
1	Nevada	
	RENO	espresso
1	Oregon	
	BEND	Camping on-site. Showers. Clothes pass on wall in changing room. Bathrooms. Picnic tables in view of the water features. Gear demo/rental shop on-site. Paths through landscaping, as the kayakers are going that way anyway. Shade over the river in various p
1	Utah	
	OGDEN	Shade on the island.
1	Virginia	
	NEWPORT NEWS	RV and tent camping.
2	Washington	
	CASHMERE	more concession
	Richland	showers would be great
1	ZIP not specified	
		golf cart for walk
2	Foreign Origin	
2	ZIP not specified	
		Canada zip code: T2N 2W3
		Canada(BC)
22	Gear & activities	
3	California	
	LA JOLLA	allow cascade kayak to teach here
	SAN DIEGO	on site lessons, food and rentals
	SAN DIEGO	A bit more kayak gear in the shop (ie eye glass straps)
1	Colorado	
	GRAND JUNCTION	I like the kid kayak lessons and imagine their parents will want to learn too.
12	Idaho	
	POCATELLO	more activities for children under 12

2011 KWP survey comments
 Suggestions grouped by subject matter

	CASCADE	the year-round geo thermal swimming pool is a no brainer
	CASCADE	more music venue/offerings
	CASCADE	to raise more money for park allow small weddings scheduled for a fee - awesome venue
	DONNELLY	Provide adult kayak lessons.
	MC CALL	Offer adult classes. Create a kayak experience days/club for kids to practice skills.
	MC CALL	Young child play area.
	NAMPA	A place to wade for little kids.
	BOISE	Rent equipment on-site!
	BOISE	Kelly's stickers for our boats
	BOISE	It would be good to have something for young children.
	BOISE	offer classes
2	Louisiana	
	NEW ORLEANS	tourist info for hikes, bike rides in area
	NEW ORLEANS	botanical gardens of water plants with explanations
4	Washington	
	RENTON	Read about the park in the Sunset magazine. It gave us an idea of where to go for tubing and once here it is an easy entry to the river.
	PULLMAN	A little more signage about rentals, put-in points, etc.
	RICHLAND	provide rentals at the park
	RICHLAND	have a school for whitewater lessons
8	Other	
1	Colorado	
	Castle Rock	Provide a brochure.
5	Idaho	
	CASCADE	Have USFS manage timber loads-not just burn
	WEISER	I found this facility on the Internet. However, Kelly's website has no contact information, which is a detriment. We really enjoyed our stay and plan to make this a yearly vacation.
	BOISE	Welcome and allow tourism industry programs into the area.
	BOISE	donation box at exit

	BOISE	Show history and diversity of Cascade.
2	Washington	
	RYDERWOOD	The website is poorly designed. There is no information on tubing fees or rental information.
	PULLMAN	Main reason we might not come back is the road construction. Kept waiting 30 min heading into Cascade from north. Would like to come back, but it's a long drive from Moscow/Pullman.

22 **River features**

2	California	
	COSTA MESA	better sign to exit river
	BIG SUR	make the wave bigger, barrels
1	Colorado	
	GRAND JUNCTION	Modify whitewater features to be more user friendly - intermediate feature is great!
11	Idaho	
	DRIGGS	a bladder/away to adjust features to flow
	CASCADE	More rapids.
	EAGLE	There are several rocks in the river that are more of an obstacle for kayakers.
	GARDEN VALLEY	work on lower wave- more friendly
	NEW MEADOWS	Bigger features; one big enough to hold surfboards and add a slalom course. Thanks.
	NAMPA	easy access points to get in and out of the waterpark
	BOISE	Continue to improve the features (waves); they are good but some are a little off and irregular. Continue to host events; I like coming here and would attend clinics or competitions.
	BOISE	More features/bladder.
	BOISE	Maybe some way to surf with a surfboard or wakeboard using a rope. Great paddling waves!
	BOISE	More rapids.
	KINGSTON	slide to enter water with possible ramp at the entry. (see kayak videos)
3	Oregon	
	MOLALLA	Pool climbing wall

	BEND	KWP is an awesome resource! What a treat! I hear they will be working on the lower wave, which is good. It would be great to have more features as usable as the main hole/wave. This would help split up use as well.
	BEND	More powerful middle hole and big glassy wave. Food and campsite at Kelly's Whitewater Park.
4	Washington	
	ENTIAT	Fix up the waves this winter so they are more glassy
	BURBANK	improve the top and bottom holes
	RICHLAND	make more
	Richland	fix bottom hole so there is an intermediate hole
1	ZIP not specified	
		better sign to exit river
12	Road and pathways	
9	Idaho	
	CASCADE	complete bike trail clear through
	DONNELLY	Get rid of the napweed on the trail.
	EAGLE	run shuttle at least one weekend day
	MOUNTAIN HOME	pave the walks
	NAMPA	need a path in order to read inscription on Borbonos plaque
	BOISE	More signs and a sign with a picture. There should be one entrance by the visitor center.
	BOISE	More signs.
	BOISE	It's great! What you need to do is tell your story in 3-4 signs as you drive into the park, like the YMCA does. You are building a community, sustainable business district, Valley kids.
	BOISE	Greenbelt path connecting park to Cascade. Kayak lockers concession stand.
1	Nevada	
	LAS VEGAS	Fix up the entrance from the road. Clean-up the surrounding area.
1	Utah	
	SALT LAKE CITY	The entrance should be paved. It looks like you are entering an old industrial park.
1	Washington	

SEATTLE

Better entrance from road; signs and road are confusing.

Appendix 5: Unsolicited compliments from visitors

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75 **Compliments**

4 **California**

SAN DIEGO	We love it.
VICTORVILLE	I think it is beautiful! No changes needed.
YUBA CITY	It is fine the way it is.
WEAVERVILLE	It was great! It made my day! I can't think of a way to improve it! Thank you!

3 **Colorado**

MEAD	It is a lovely park. Enjoying Idaho very much.
GRAND JUNCTION	It is just awesome already.
GRAND JUNCTION	Improve? It's awesome as it is and amazing that it's free! We love coming here.

42 **Idaho**

KETCHUM	Great teaching environment.
DRIGGS	pretty awesome right now!
CALDWELL	It's a great addition to Cascade and for Trinity Pines.
CASCADE	So far, so good!
CASCADE	I love this park; it is a huge asset to our community.
CASCADE	It's great
CASCADE	[as is is] ok with me
EAGLE	Great first visit! Beautiful facility. Love it! (Came to Watch)
HORSESHOE BEND	They are doing great! Thank you!
MC CALL	It's a great place to come and practice. My son took lessons here and it was a great opportunity for him.
MC CALL	[no suggestions]; It's fine
MC CALL	Everything is wonderful!
MC CALL	I love this place! It has allowed me to really improve my boating and rolling which has made it possible to paddle harder rivers.
MERIDIAN	[I need] Nothing else; it's great.
MERIDIAN	It looks great! Very well done! Beautiful venue!
MERIDIAN	Great facility! I look forward to utilizing it.

2011 KWP survey comments
Compliments

MERIDIAN	Doing a great job guys. I look forward to anything you do.
MERIDIAN	They are doing a great job and I look forward to the many additions coming to KWP.
MERIDIAN	Very well put together.
MERIDIAN	There are no changes that I can think of. We have been here once before, just watching, and we love it. It's so peaceful and fun to watch the people in the water. I love it here.
MIDDLETON	It was great!
Meridian	[no suggestions];It is good just the way it is!
Meridian	Beautiful! It is fun to watch kayakers! We may not use the park this trip, but plan a tube trip later on this summer.
MOUNTAIN HOME	this is a lovely place
WEISER	[no suggestions] It is what I expected.
NAMPA	Every time we come we see improvements. It is a wonderful place to visit.
NAMPA	I think this is awesome!
BOISE	Nice,Impressed!
BOISE	Great!
BOISE	Fabulous asset
BOISE	KWP has done a great job!
BOISE	It is beautiful.
BOISE	It would be fun for the kids to see!
BOISE	This is great and wonderful!
BOISE	Kelly is great
BOISE	This place is awesome! Beautiful!
BOISE	very nice
BOISE	It's perfect.
BOISE	pretty cool
BOISE	It's perfect
BOISE	I loved the tribute to their daughter!!!
MOSCOW	It's a great place! No improvements.

2011 KWP survey comments
Compliments

	ALBANY	[no suggestions] Great place as is.
5	Utah	
	LAYTON	Build a teleporation device from SLC to here so I can come all the time.
	PLEASANT GROVE	Great learning!
	SALT LAKE CITY	Be closer! :)
	SALT LAKE CITY	It's great!
	OGDEN	fabulous!
2	Virginia	
	NEWPORT NEWS	Not really, it was fun.
	NEWPORT NEWS	I have no suggestions, it was fun.
6	Washington	
	BELLEVUE	it is a superb park-lovely! The information center is beautifully designed-the emphasis on pioneer women is excellent-the area and view of the indoor amphitheater is a delight! Thank you to the generous donors of this park-a beautiful way to remember the
	SEATTLE	A wonderful place. I'm amazed by the dedication of those who created the park. We made a special detour to come here on our war over to Yellowstone, and now we may just stay here and skip Yellowstone.
	TACOMA	Put parks in other locations as well so that the sport can be enjoyed by even more people!
	SPOKANE	Love to have near my home
	BURBANK	Kelly's is great! stay with the plan
	RICHLAND	Not sure [if I have suggestions]. Seems nice as it is.
12	ZIP not specified	
		We love it here!
		So fun!
		We live in the community and appreciate all the facility offers. We recommend the KWP to lots of friends from Treasure Valley.
		A very peaceful place to relax and enjoy the beauty of nature. You can feel the love people have put into making this place. You will want to return often to say thank you.
		Very nice area! Good entertainment.

2011 KWP survey comments
Compliments



Wonderful!

This was a beautiful experience, thank you.

I found it a wonderful experience; I can't think of an improvement.

It was great.

This place is really amazing. A wonderful experience to come here. We will definitely return.

Friendly personnel. Very nice facility.

Beautiful facility! Glad to see it here!