



THE NYS PARK SYSTEM: AN ECONOMIC ASSET TO THE EMPIRE STATE

Executive Summary

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March 2009

EXECUTIVE SUMMARY

The New York State Park System makes a valuable contribution to the quality of life in New York State. This report documents another contribution of the State Park System – its impact on the state and regional economies.

The New York State Office of Parks, Recreation and Historic Preservation (OPRHP) operates and maintains 178 state parks and 35 state historic sites, covering a total of 325,000 acres. The park system represents a valuable collection of natural and recreational assets, including 1,350 miles of hiking trails, over 8,000 campsites, numerous swimming pools, beaches, boat launches, nature centers and golf courses.

New York State Parks generate substantial net economic benefits for the people and economy of the Empire State. On a statewide basis, direct spending by OPRHP and spending by visitors to state parks supports up to \$1.9 billion in output and sales, \$440 million in employment income, and 20,000 jobs. These benefits are distributed among the 11 regions that constitute the State Park System according to the number, size, and nature of the parks and historic sites in the various regions.



**Chittenango Falls
State Park**

Clearly, the impact of the State Park System on New York's economy is sizeable: the benefits exceed the direct costs of maintaining the state parks many times over. The benefit-to-cost ratio is more than 5-to-1—more than \$5 in benefits for every \$1 in costs.

The State Park System in 2008-2009 is supported by \$341 million in state government expenditures, including \$253 million in operating budget and \$88 million in capital investments.

This study focuses on two key channels through which the State Park System impacts New York's economy: public spending on parks for operations and capital improvements and spending by visitors in parks and surrounding areas. Last year, the NYS Park System had 55.7 million visitors.

Through these two channels—public spending and spending by park visitors—we estimate the following economic benefits to New York's economy:

BUSINESS SALES IMPACT

- The state parks produce about \$1.9 billion in annual sales for private businesses in the areas around the parks
- About \$744 million of visitor expenditure—i.e. around 40 percent of total visitor spending of \$1.9 billion—comes from visitors living outside the communities in which the parks are located. This non-local spending is key for generating net benefits for the parks, since local businesses would not have gained these customers without the presence of the parks to attract visitors to the area.
- The \$1.9 billion in economic activity generates revenues for the state through sales, business and income taxes.

JOB CREATION AND COMPENSATION



Taughannock Falls State Park

- The State Park System generates about 20,000 jobs (in addition to OPRHP employees)
 - State spending produces about 6,600 jobs
 - Visitor spending produces about 13,500 jobs
- The total compensation to the roughly 20,000 people whose jobs are generated by the parks amounts to about \$440 million per year
- The average compensation from these jobs is about \$50,000 per year, including benefits

ESTIMATED IMPACT OF STATE OPERATING EXPENDITURES, CAPITAL INVESTMENTS, AND VISITOR EXPENDITURES, NEW YORK STATE PARKS.

REGION	Employment Upper bound # jobs	Sales/Output (\$ millions)
Allegany	860	\$62
Capital/Saratoga	2,929	\$249
Central	1,620	\$134
Finger Lakes	1,776	\$141
Genesee	675	\$58
Long Island	3,992	\$410
New York City	716	\$61
Niagara Frontier	4,701	\$569
Palisades	1,052	\$94
Taconic	957	\$102
Thousand Islands	882	\$63
STATE	20,159	\$1,942

Sources: See appendix.

ADDITIONAL ECONOMIC BENEFITS

The State Park System generates significant additional economic benefits to the state, including maintaining the natural environment, providing an escape for millions of New Yorkers and others from around the world, and protecting the state's heritage for future generations. Because of these additional benefits, our assessments of the economic impact of the State Park System underestimate the parks' true economic contribution.



**Jones Beach
State Park**

Additional economic benefits include:

- Maintaining the state's ecosystem and biodiversity
- Providing opportunities for recreation
- Reducing the negative effects from pollution
- Improving health outcomes
- Preserving areas of historic importance
- Influence business location decisions by contributing to a better quality of life for employees

This report challenges the presumption that there are stark trade-offs between generating jobs and protecting the environment. We specifically estimate the size of the economic contributions of the park system to the economies of each of the 11 regions and to the New York State economy as a whole. We show that the state spending of \$341 million to maintain the State Park System generates economic benefits to the regional and state economies that dramatically exceed this investment. The direct state spending increases employment, supports local businesses, and generates numerous ripple effects throughout the regional economies. State Parks also attract visitors from outside the local community. These visitors spend money on food, shopping, transportation, recreation, and lodging, all of which contribute significantly to New York's local and state economies.

In addition, the State Park System improves the quality of life in New York and thereby influences business location decisions and the ability of the state to attract a high-quality workforce. Many of these long-term economic benefits are not easy to value. Nevertheless, research studies that have attempted to quantify these benefits suggest that the total contribution of the State Park System to the state economy would exceed the estimates of the impact of government and visitor spending presented in this report.

The primary focus of this report is the State Park System. However, the activities of OPRHP, as a state agency, are not restricted to state parks and historic sites. They include organizing the Empire State Games; administering the state recreational boating program; oversight of over 10,000 miles of snowmobile trails; administering local grants-in-aid programs which support park and recreational trail development by community groups and municipalities; and overseeing the state's historic preservation programs. All of these activities generate economic benefits for local and state economies – from promoting tourism to raising property values. **READ FULL REPORT**



Chenango Valley State Park