

Velomont Trail + Vermont Huts

Economic Impact Study



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VELOMONT TRAIL + VERMONT HUTS

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INTRODUCTION

The Velomont Trail and Vermont Huts system are emerging outdoor recreational resources poised to bring economic benefits to Vermont communities. This study estimates the economic impact the Velomont Trail and Vermont Huts system will generate for the region. In this study, the economic impact is the jobs created, tax revenues, and total spending that results from the spending associated with trail use and hut stays. The estimated economic impact demonstrates the value of investment in the trail and hut system.

ABOUT THE VELOMONT TRAIL

The Velomont Trail is a proposed multi-use mountain biking trail that will run the length of Vermont, from Massachusetts to Canada. The trail will create connectivity between existing trail networks, offer a unique overnight riding experience, and generate economic activity in communities across the state.

The Velomont Trail is a long-held dream by cyclists across the Northeast and promises many benefits for Vermont communities as well. At present, Vermont has many excellent trail networks, but cyclists are eager for singletrack connections between them. Bikepacking is also growing in popularity, with many cyclists looking to complete longer, overnight trips. The trail will be routed into downtowns and village centers, encouraging cyclists to stop, grab a bite to eat, maybe spend the night, and support the local economy. The trail will be connected by a hut-to-hut network, run by Vermont Huts Association, allowing trail users to spend their nights in beautiful backcountry locations.

The Velomont Trail is a collaborative effort with the Vermont Mountain Bike Association (VMBA), Vermont Huts Association, 19 different local trail networks, and public and private landowners. Initial planning efforts have focused on Massachusetts to Stowe, likely about 336 miles of trail, and the full length of trail from Canada to Massachusetts will be approximately 485 miles. The trail will be a mix of existing singletrack, existing doubletrack connections, and new singletrack. The trail will pass through many existing singletrack networks. The goal is to have at least 70% of the trail be singletrack. As of 2020, 15 miles of new singletrack between Rochester and Pittsfield have been approved for construction.

ABOUT VERMONT HUTS

The Vermont Huts Association is a non-profit organization providing backcountry accommodations across Vermont. These huts help unify and link trail systems towards enhancing outdoor adventures. At present, Vermont Huts manages, offers a reservation system, or promotes eight huts. Many of the huts are open for year-round use serving hikers, mountain bikers, paddlers, skiers, and families alike. In the future, Vermont Huts will be a four-season hut network across the state that strengthens local communities and fosters a deeper appreciation for the natural world. Most huts will be located near recreation activities for all four seasons, but some will be oriented towards winter or summer recreation. Planned huts include a hut-to-hut network along the Velomont Trail, with huts spaced a day's ride apart. Between the hut-to-hut network and other huts strategically located around the state, Vermont Huts Association envisions a 30-45 hut system comprised of new huts and existing or rehabilitated structures.

ESTIMATING ECONOMIC IMPACT

Trails and recreational opportunities spur economic development. From homeowners choosing to live along a trail to tourists traveling to a destination for its trails and huts, recreational opportunities attract both people and dollars. The economic effects of these facilities are sometimes readily apparent (as in the case of trailside restaurants or lodging) and are sometimes more subtle, like when a company decides to move to a particular community because of recreational amenities. Mounting new evidence shows a correlation between the availability of outdoor recreation facilities and important economic development indicators.

Throughout Vermont, recreational opportunities offer great economic benefits to local communities. Trail users, both residents and visitors, will visit local restaurants and other businesses, bringing in tax revenue and creating jobs as well. Across the state, just four trail systems—the Catamount Trail, the Long Trail, the Vermont Association of Snow Travelers (VAST) system, and Kingdom Trails—have been found to generate over \$30.8 million in annual economic activity, over \$2 million in annual tax revenues, and support over 365 jobs annually (VT Trails and Greenways 2017). Outdoor recreation is increasingly seen as a key factor for strengthening the economic vitality of Vermont towns.

Trails are a perfect example of how financial reporting of costs and fee revenues fails to capture the true benefits of a resource. Trail development and maintenance can be costly, and often trail user fees are minimal or non-existent. As a result, the operational costs generally exceed revenues. However, trails are absolutely critical attractors for tourists and can be a powerful tool for economic development, especially in rural and mountain communities. While the managing organization often receives little or no direct revenue from trail users, the local economy sees immense benefits from bringing these new visitors, residents, and businesses into the community. Trail users may not always pay to be on the trail, but they typically buy goods, gas, food, and lodging. It is this visitor spending that is tracked in an economic impact analysis.

The financial and economic implications of trail and outdoor recreation development must be well understood in order to properly invest and leverage these assets. To better understand the opportunities that the Velomont Trail and Vermont Huts present, an economic impact analysis has been conducted for projected levels of visitation, establishing the potential economic impact. This economic impact information can provide valuable insight into implementation and phasing strategies. The analysis can also greatly increase the competitiveness of projects for grants and other funding opportunities by demonstrating the immense return on investment these projects will provide.

METHODOLOGY AND PROCESS

The economic impacts of recreational use of the Velomont Trail and visits to Vermont Huts have been projected using a computer-based model—the Money Generation Model (MGM2). The MGM2 model was developed by the National Park Service and is used to model the economic impact of national parks and other recreational assets across the country. The model demonstrates the value of parks, trails, and recreational assets as an economic engine by estimating the economic impact of spending associated with visitation to the area in terms of changes in jobs, tax impacts, and total sales (gross regional product).

MGM2 economic modeling requires the estimation of visitation and visitor spending in order to simulate the effect of these activities on the economy. While MGM2 modeling utilizes observed industry interdependencies calibrated to the local and regional economy, the results of any economic model are only as accurate as the data used to describe the modeled activity (i.e., visitation and trail use). Therefore, our economic impact analysis required three primary data inputs to model economic impacts: 1) visitation, 2) visitor type breakdown (local, non-local day, overnight), and 3) visitor spending profiles. Local users are those who live in the immediate area and tend to have the lowest associated spending. Non-local day users do travel to use the trail and will have associated spending on food, beverage, gas, or gear. Overnight users will typically spend the most per day, with lodging costs included.

For the Velomont Trail and Vermont Huts, these inputs were estimated from:

- Use and spending on analogous trail and hut systems (see Case Studies) and nearby trails,
- Future plans for the Velomont Trail and Vermont Huts capacity, and
- Past use and nightly rates of Vermont Huts.

Given the uncertainty around future use, low, medium, and high scenarios were developed for Velomont Trail and Vermont Huts use. See the Use Projections and Economic Impact Assumptions section (page 15) for documentation of the estimates and inputs.

With estimates of visitation, visitation by user type, and spending profiles for each user type, the MGM2 model can be completed and run. The model utilizes input-output modeling and industry relationship data from the US Census to estimate total economic impacts. Purchases for final use (i.e., visitor spending) drive the model. Industries that produce goods and services for visitor consumption must purchase products, raw materials, and services from other companies to create their product. These vendors must also procure goods and services. This cycle continues until all the money is leaked from the region's economy. There are three types of effects measured within an MGM2 Model: the direct, the indirect, and the induced effects. The direct effect is the known or predicted change in the local economy that is to be studied (i.e., the visitor spending). The indirect effect is the business-to-business transactions required to satisfy the direct effect. Finally, the induced effect is derived from local spending on goods and services by people working to satisfy the direct and indirect effects. Total impacts reflect the total changes to the economy as the result of visitor spending (i.e., Direct effects + Indirect effects + Induced effects = Total Impacts).

BACKGROUND RESEARCH

This section includes baseline economic conditions in trail communities and case studies of analogous long-distance trails and hut systems. The baseline economic conditions discuss the existing economic activity in these communities to understand the potential impacts and opportunities for growth related to the Velomont Trail and Vermont Huts. The case studies are intended to provide insights on use and spending on similar systems, to guide the assumptions for this study.

EXISTING ECONOMIC CONDITIONS

This section documents the baseline economic conditions of towns located along the first phase of Velomont Trail development. These paragraphs present the economic conditions prior to the development of the Velomont Trail and the hut-to-hut network, with an emphasis on the recreation tourism economy. The proposed trail would pass through the village centers and downtowns of many of these towns, where riders could stop, support businesses, and help strengthen the local economies. The following are summaries of the community profile pages that are available as Appendix A.

CHITTENDEN

The Town of Chittenden is in Rutland County and is home to multiple recreational resources such as the Green Mountain National Forest, Chittenden Reservoir, and the Long Trail. Much of the Town's land area is national forest and only a small portion of the land area is developed. The 2018 American Community Survey (ACS) estimates Chittenden's population at 1,342 people with a median age of 46.4. The median household income is \$65,326—about 8% higher than the statewide median household income of \$60,782 and 18% higher than the median household income of Rutland County (\$54,973). Chittenden has three lodging establishments, including the existing Chittenden Brook Hut, as well as one campground near the hut. Dispersed camping is allowed in much of the Green Mountain National Forest. Economic activity in Chittenden is relatively limited, with few businesses. The activity that does exist revolves around the proximity to Rutland and Killington, and outdoor recreation tourism. The Town has a modest number of second homes, with 16.6% of all housing units in seasonal or recreational use. The economy of the county is tied to tourism, with about 24.5% of the county's economy related to travel and tourism sectors such as recreation, accommodation, food services, and transportation.

HANCOCK

The Town of Hancock is a small community located in Addison County. The 2018 ACS estimates Hancock's population at 323 people with a median age of 52.1. The median household income in Hancock is \$51,071, which is 15% lower than the statewide median household income (\$60,782) and 21% lower than the median household income of Addison County (\$65,093). Economic activity in Hancock is relatively limited, with few businesses. Much of the town's land area is national forest. Middlebury College Snowbowl is located within the town, and the Long Trail passes through the edge of town. Hancock sees modest tourist traffic from those establishments and the other few trails in town. There are two lodging establishments and a campground, and one food and beverage establishment. Hancock does have a number of second homes, with 22.5% of the housing units in Town in seasonal or recreational use (40-50 units). On the county level,



Addison County's economy is less dependent on tourism than surrounding counties and the state average, with about 10.7% of the county's economy related to travel and tourism sectors.

KILLINGTON

The Town of Killington is in Rutland County and is home to two ski resorts: Killington Ski Resort and Pico Mountain Ski Resort. Killington is a resort town with a high degree of tourism and many recreation-oriented or supported businesses. The 2018 ACS estimates Killington's population at 726 people with a median age of 55.4, but over 80% of housing units in town are in seasonal or recreational use. Killington serves as a tourism destination, with ~20 hotels, inns, and other lodging establishments, as well as many restaurants and bars. About 25% of Rutland County's economy is related to travel and tourism sectors, but that percentage is likely higher in Killington. The median household income in Killington is \$60,288, which is similar to the statewide median household income (\$60,782) but 9% higher than the median household income of Rutland County (\$54,973).

PITTSFIELD

The Town of Pittsfield is a small community located in Rutland County. The 2018 ACS estimates Pittsfield's population at 412 people with a median age of 43.9. The median household income in Pittsfield is \$54,464 which is 10% lower than the statewide median household income (\$60,782) and about the same as the median household income of Rutland County (\$54,973). Pittsfield has three restaurants/bars and four lodging establishments. Pittsfield has more farming than many of the communities presented here, and the Town's economy also benefits from the Green Mountain Trails system and proximity to Killington. Pittsfield has many second homes, with 39.7% of the housing units in seasonal or recreational use. Rutland County does see a good deal of tourism, with 24.5% of the economy related to travel and tourism sectors.

RANDOLPH

The Town of Randolph is in Orange County and is the largest town studied here. The 2018 ACS estimates Randolph's population at 4,715 people with a median age of 42.4. The median household income in Randolph is \$55,882 which is about 10% lower than the statewide (\$60,782) and county-wide (\$60,159) median household income. Randolph is located on the I-89 corridor and the economic focus is largely on manufacturing, education, health services, and agriculture. The Town also has a historic downtown and growing arts community that encourages people to live there and visit. Towards outdoor recreation, Randolph has a growing network of trails. These are primarily a local resource but do see use from visitors. Randolph has 10+ restaurants/bars and few lodging establishments. Randolph and the county are less dependent on tourism: 4.8% of the housing units in Randolph are seasonal or recreational properties and about 14% of the Orange County's economy is related to travel and tourism sectors.

ROCHESTER

The Town of Rochester is in Windsor County and is an emerging recreational destination. The 2018 ACS estimates Rochester's population at 1,061 people with a median age of 53.2. The median household income in Rochester is \$50,938 which is 16% lower than the statewide median household income (\$60,782) and 12% lower than the median household income of Windsor County (\$58,303). Rochester's small economy is influenced by recreational spending and tourism. Rochester has a growing mountain biking and backcountry skiing culture that draws visitors from around the region. Rochester has a bike shop, four restaurants/bars, and four lodging establishments that are supported by recreation-based tourism. Rochester has a fair number of second homes, with 27.8% of the housing units in Rochester in seasonal or recreational use. The economy of the county is tied to tourism with 22% of economic activity related to travel and tourism sectors compared to 19% statewide.

CASE STUDIES

The following case studies feature trails and hut systems across the world that provide insight into future use of the Velomont Trail and hut-to-hut network. User demographics and spending information from these analogous systems was used to develop the assumptions of this economic impact study. The case studies also present strategies for future marketing and management of the Velomont Trail and hut-to-hut network.



Chittenden Brook Hut (Vermont)

KOKOPELLI TRAIL

The Kokopelli Trail is a 142-mile off-road bikepacking route from Fruita, CO to Moab, UT. The majority of the trail is old Jeep roads, and about 15% of the trail is singletrack. The route is typically ridden in 3–5 days, with camping along the route but no services available. No trail studies have been conducted for the long-distance trail, but a user survey and economic impact study was conducted for the Kokopelli Trails, a roughly 40-mile trail network where the Kokopelli Trail begins, and other mountain biking trail networks in the region.

The vast majority of Kokopelli Trails users are from beyond the county (82%), with the long-distance trail likely a higher percentage. The trail is a well-known route between two major mountain biking destinations and attracts riders from across the country and even international visitors. A study of the Kokopelli Trails found an average spending of \$123 per family group per day. Notably, Kokopelli Trail users would only be spending money on the first and last day of their trip.

To gain further insights on Kokopelli Trail use and ridership, SE Group interviewed a local bike shop and the director of the annual Bikerpelli event (a group, supported ride of the trail). These entities estimated that Kokopelli use only occurs about two months of the year, for a month in the spring and fall. By their estimates, the trail sees an average of five new users per day during that season, with an additional 180-person event. Thus, total ridership of the trail would be approximately 500 riders per year. Based on the context of the trail and the surrounding riding opportunities, all trail users are riding the length of the trail, except in emergency situations. They estimate that ridership is primarily from the greater Colorado/Utah region (estimated 60–70%), but few riders are from the immediate area. The trail can be a fly-to destination for visitors from across the U.S. and a few international visitors. The level of ridership has been relatively steady, but the Bikerpelli event does sell out.

The entities estimated that 1/3 of riders rely on a guide service to carry their gear (typically a business that guides for many different outdoor recreation activities in the area). Most riders rely on a member of their party driving the gear shuttle for the day, and only an estimated 5% of riders carry panniers or bags and bikepack unsupported.



OREGON TIMBER TRAIL

The Oregon Timber Trail is a new backcountry mountain biking route that runs north-south the length of Oregon (669 miles). The route was designated in 2017 and the trail is currently 60% singletrack. The entire trail can be ridden in 20–30 days, but the trail system is broken up into four tiers, which each take between 3 and 10 days to complete. A few towns are located along the trail, including Oakridge, a well-known mountain biking destination. Generally, towns and potential resupplies are many days apart. There are few lodging accommodations along the trail, and riders camp most nights.

The Oregon Timber Trail has done extensive surveys of its riders and those interested in the trail. Of those interested in the trail, 30% had never been bikepacking before, 74% learned about the trail from social media or an online article, and 50% of those interested were from outside the Pacific Northwest. Those interested in the trail were older, with 46% above the age of 45, and 54% planned to ride the trail in the next two years.

The vast majority of riders do not ride the entire trail. In a 2017 survey of riders, 73% car camped and did day rides, while only 7% rode the entire trail. In 2017, 31% of those surveyed spent more than five days riding on the trail, which includes many who did many day rides. A quarter of riders utilized commercial lodging opportunities and 40% spent more than \$100 in each tier. Nearly all surveyed (97%) plan on returning to the trail.

In the 2019 survey, the percentage who had bikepacked before (~70%) and rode the entire trail (8%) remained relatively unchanged from the 2017 survey. Of those surveyed, 44% did multi-day segments of the trail, 48% did day rides, and 8% rode the entire trail. 73% of riders rode for between 2 and 10 days, with 43% of all surveyed riding for 2–5 days. Many day ride respondents spent multiple days riding on the trail. The largest portion of riders were groups of two (44.4%), but 26% rode solo. When asked about style of travel, about 38% of riders carried their gear the whole way and camped, 12% did a mix of bike camping and lodging, and 45% did day rides, either staying in lodging or car camping. Only 5% had vehicle support. Two-thirds of riders were from Oregon, but riders were from as far away as Europe. Nearly all planned to return and 98% would recommend the trail to others.

In 2019, Oregon Timber Trail measured use at trailheads in each of the tiers. At a lightly used trailhead in Southern Oregon, there were 41 total users across the summer, 19 of those bikepacking and five mountain biking. Another trail section saw 375 mountain bikers and 47 bikepackers, out of 571 total users. Further north, a trail section saw 204 mountain bikers and 23 bikepackers, along with hundreds of hikers. In a popular hiking section, the trail saw 23 bikepackers and 21 mountain bikers. One trail section had 23 bikepackers and no additional mountain biker use. These counts suggest relatively few bikepackers (both doing the entire trail and bikepacking sections), but many other mountain bikers doing day rides on more accessible sections of the trail.

The Oregon Timber Trail is working on creating loops within each tier, to allow for shorter adventures that are easier logistically and would allow more people to experience the Oregon Timber Trail.



COLORADO TRAIL

The Colorado Trail is a 539-mile trail from Denver to Durango, Colorado. The trail is incredibly scenic, with many mountain passes, alpine lakes, and an average elevation above 10,000 feet. The trail was originally designed for hiking, but mountain bikers are allowed, albeit with many hike-a-bike sections. Of those who complete the whole trail, an estimated 90% are hikers, 9% are mountain bikers, and 1% are equestrians. The trail is incredibly challenging for bikes due to the elevation, steep terrain, and length, and there is a relatively limited window (July–September) when the trail is clear of snow.

The trail does pass close to several towns where bikers can resupply and support the local economy. The resupply points are largely generally popular mountain towns, where the Colorado Trail draws additional visitors and adds to the recreational offering but is not a sole economic driver. There are a few lodging options near the trail, but most riders camp for all or most nights. The Colorado Trail Foundation maintains many campgrounds along the route.



LONG TRAIL

The Long Trail is a 272-mile hiking trail that runs north-south the length of Vermont. The Long Trail is the oldest long-distance hiking trail in the United States and sees approximately 200,000 users per year. The number of users has been growing, particularly in the popular sections. For example, about 25% of all trail users hike on Mount Mansfield. Many of those hiking the whole trail will register with Green Mountain Club as end-to-enders. In recent years, the number of registered end-to-enders has held relatively steady between 250 and 300 hikers.

In 2016, Camoin Associates studied the economic impact of the Long Trail and other Vermont trails for the Vermont Trails and Greenway Council. The study assumed that 71% of the 200,000 annual Long Trail users are from out of state, with 87% of those visiting the state because of the Long Trail. Long Trail users tend to have a long length of stay in the state, at an average of 8.43 days. Of the trails considered in this study (Kingdom Trails, Catamount Trail, VASA), Long Trail users spend the least, as people tend to spend many days out on the trail, passing through few towns. Long Trail spending is approximately 41% of that of Catamount Trail users, at an average \$25 per person, per night. Non-resident users of the Long Trail result in about \$4 million in annual spending.



NORTHERN FOREST CANOE TRAIL

The Northern Forest Canoe Trail is the longest contiguous water trail in the United States. The trail is 740 miles, from Old Forge, NY to Fort Kent, ME. The full trail takes 4-7 weeks to complete, but many sections are popular for day or shorter overnight trips. Each year, 20-50 people start the trail intending to complete it, but only 6-10 do so, typically. The trail towns are an important aspect of the trail, and paddlers will stop frequently for food, lodging and camping, and other goods and services.

An economic impact study was conducted in 2006 for six sections of the trail. These sections, not comprising the full trail, saw about 90,000 individual users and 330,000 user days. Trail spending varied by region, based on variation in typical group size, visitor origin, and accommodation types available. Average spending was \$39 per person per day, with local groups at \$5 per person per day and overnight visitors at \$46 per person per day. Overall, use of these trail sections results in \$8.8 million in spending and \$55 million in total economic impacts.



10TH MOUNTAIN HUTS

The 10th Mountain Division Huts system is 13 backcountry huts in Colorado. The huts sleep 10–20 people and are unstaffed. 10th Mountain Huts also runs bookings for 20 other huts in the state. While all huts do have routes connecting them to other huts, the huts do not act as a hut-to-hut network along a popular trail network. All huts are open in the winter (the more popular season) and most are open in the summer as well. The hut system is incredibly popular, and people participate in a lottery and make reservations months in advance.

In 2011, thousands of winter and summer hut users participated in a survey about their trips and preferences. Average group size was 8.0 in both the winter and summer and about 97% of visitors are from Colorado. In both winter and summer, respondents were most interested in a single hut for multiple nights. In winter, respondents were next most interested in multiple huts, multiple nights, returning to the same trailhead. In summer, respondents were next most interested in a single hut for a single night. A percentage of users do mountain bike to the hut, with 7% of those surveyed about summer visits doing so with motorized vehicle support and 5% doing so unsupported. In summer, respondents spend an average of 2.6 nights in a hut and 1.0 night in another accommodation. In winter, respondents spend an average of 2.7 nights in a hut and 0.8 night in another accommodation. In winter and summer, the average spending within 50 miles of the trailhead was just over \$200 per person with about half of that going to the hut rental.



TOUR DU MONT BLANC

The Tour Du Mont Blanc is an incredibly popular approximately 110-mile mountain biking and hiking loop in the high alpine of France, Switzerland, and Italy. The trail is an international destination, largely thanks to the stunning views and mountains, but the logistical ease and comfort are attractive as well. Many accommodations, restaurants, and villages line the trail, and users will book huts or small hotel rooms for each night of their journey. The route has long been a popular for hiking, and increasingly, mountain bikers are riding the route, with variations. The trail is incredibly steep and is very challenging for mountain biking. While the loop is frequently done as a self-guided trip, many outfitters do provide supported trips. Trail users support hundreds of businesses in the region, from outfitters to huts and restaurants in the high alpine.



OLD GHOST ROAD

The Old Ghost Ride is a 52-mile multi-use trail in New Zealand. The trail is a long-forgotten gold mining road that has been rebuilt as a mountain biking and hiking trail. The trail is 100% singletrack and the grades are relatively consistent, and the surface is well-maintained and consistent, making the trail accessible to intermediate riders. Five “swanky” huts and adjoining campsites are located along trail. The huts and campsites must be booked well in advance due to the popularity. No food or services are located along the route, but businesses at the starting and end points do see strong visitation from trail users.

The trail project began in the mid-2000s and the project leaders engaged both outdoor recreation specialists and economists to estimate annual users and economic impacts. Given the challenges and expense associated with creating the trail, the project leaders sought to design the trail for mountain bikers as well as hikers, to attract more users. The trail won several grants for construction, and corporations, such as helicopter operators and energy providers, agreed to support construction as well.

The trail opened in 2011 and with it, a helicopter guide and supply drop service. However, most riders will complete the trail unsupported or use a bike guide service. The charitable trust that runs the trails does charge for use, based on expected ridership and maintenance costs. There are different fee levels for multi-night trips, single night overnights, and day trips. The cost also varies by type of accommodation (i.e., tent vs. hut). The trail saw 12,000 users in 2018 and has won a national award for its contribution to public access. Project leaders estimate that dozens of people have gained employment because of the trail.



USE PROJECTIONS + SPENDING PROFILES

Projections of future use and spending profiles were developed as inputs for the economic impact model. The projections and assumptions are based on use and spending at analogous trail systems and expectations related to the unique nature of the Vermont Huts and Velomont Trail.

USE PROJECTIONS

The use projections are annual estimates for when the full 485-miles of the trail are built (Massachusetts to Canada), 30-45 huts are in place, and the “word is out” about the trail and hut system, typically about five years after construction of the complete trail. Use projections were made for a low visitation, medium visitation, and high visitation scenarios. It is expected that many Velomont Trail users would stay in Vermont Huts and those users are counted in both use projections, but not duplicated in the economic impact estimates.

VERMONT HUTS

The following chart shows estimated occupancy, party nights, and individual nights at Vermont Huts, at low, medium, and high levels of visitation. These estimates assume that average party size is 6.6 (current Vermont Huts average group size), 45 huts, and 10 months of operation per year. The occupancy rates are based on existing occupancies of Vermont Huts and expectations for the built-out hut system. The occupancy rates account for variation in occupancy by season and type of hut (i.e., primarily winter, primarily summer, year-round popular huts).

Table 1. Vermont Huts Estimated Visitation

	Low Visitation	Medium Visitation	High Visitation
Estimated Annual Occupancy	44%	57%	67%
Estimated Annual Visitation (Parties)	6,100	7,793	9,165
Estimated Annual Visitation (Individuals)	40,260	51,430	60,490

VELOMONT TRAIL

The following chart shows estimated annual trips and user days on the Velomont Trail, broken down by length of trip. It is expected that a small number of riders will do the full 485-mile trail (end-to-enders, average 24 days), some will go for a long multi-day trip (4-12 days, average 5 days), and many will go for a short multi-day trip (2-3 days, average 2.2 days). The majority of trips will be connectivity riders, day use riders who go from one town to another. User data from other long-distance trail systems supports this level and breakdown in ridership.

Table 2. Velomont Trail Estimated Visitation

	Low Visitation		Medium Visitation		High Visitation	
	<i>Trips</i>	<i>User Days</i>	<i>Trips</i>	<i>User Days</i>	<i>Trips</i>	<i>User Days</i>
End-to-Enders	120	2,800	250	6,000	400	9,600
Long Multi-Day	500	2,500	1,000	5,000	1,500	7,500
Short Multi-Day	2,000	4,400	4,000	8,800	8,000	17,600
Connectivity Riders	12,960	12,960	19,440	19,440	25,290	25,920
TOTAL	15,580	22,740	24,690	39,240	35,820	60,620

Under the three scenarios, the percent of trail-oriented hut guests who are riding the Velomont Trail ranges from 30% to 72%. That percentage includes all the huts in the Vermont Huts system, such as those not located along the trail. For those huts located along the trail, a higher percentage of guests would be riding the Velomont Trail.

SPENDING PROFILES

Spending profiles are estimated daily spending per individual in the region during their trip. These profiles vary based on the type of user, for example, overnight visitors typically spend more in all categories than day users and spend on lodging. These profiles represent an average of all days of a trip, while typically, users spend more on the first and last day. These spending profiles were developed from surveys of users of analogous trail and hut systems, adjusted to the Velomont/Vermont Huts context.

Lodging spending varies slightly based on the visitation scenario due to differences in user type breakdown.

VERMONT HUTS

The following table shows estimated spending profiles for Vermont Huts users. The lodging costs are based on reservation costs established by Vermont Huts and assume that 30% of hut guests will spend an additional night in the region.

Table 3. Vermont Huts Spending Profile

Spending Category	Spending per Person, per Night
Lodging	\$20
Restaurants and Bars	\$13
Groceries and Takeout	\$12
Gas & Oil	\$16
Admission and Fees	\$2
Clothing, Sporting Goods, Souvenirs, and other expenses	\$12
TOTAL	\$75

On average, over the course of a trip (average 2.5 days), an individual will spend \$187.50 in the region.

VELOMONT TRAIL

The following chart shows estimated spending profiles for Velomont Trail users. There are three spending profiles: overnight users, connectivity riders who are local day users, and connectivity riders who are non-local day users.

The local day users live in the immediate area and do not have much trail-induced spending. The non-local day users do travel to the trail but return home and spend less than overnight users. The local day user spending is based on average of 16 recent trail user studies compiled by SE Group and the non-local day user spending is based on the 2011 Benchmark Study of the Economic Impact of Visitor Spending by the Vermont Agency of Commerce and Community Development. These figures were adjusted for inflation. It was assumed that 70% of connectivity riders are local, and 30% are non-local.

The estimated lodging spending are based on a mix of camping, motel/bed and breakfast, and hut stays by Velomont Trail users.

Table 4. Velomont Trail Spending Profile

Spending Category	Overnight Users	Connectivity Riders Local	Connectivity Riders Non-Local
Lodging	\$30	--	--
Restaurants and Bars	\$16	\$3.45	\$19.71
Groceries and Takeout	\$12	\$1.60	\$3.55
Gas & Oil	\$16	\$0.62	\$29.59
Admission and Fees	\$2	\$1.35	\$5.12
Clothing, Sporting Goods, Souvenirs, and other expenses	\$13.50	\$5.29	\$22.00
TOTAL	\$89.50	\$12.32	\$79.97

Note: Average spending values are presented to the decimal places used in the source.

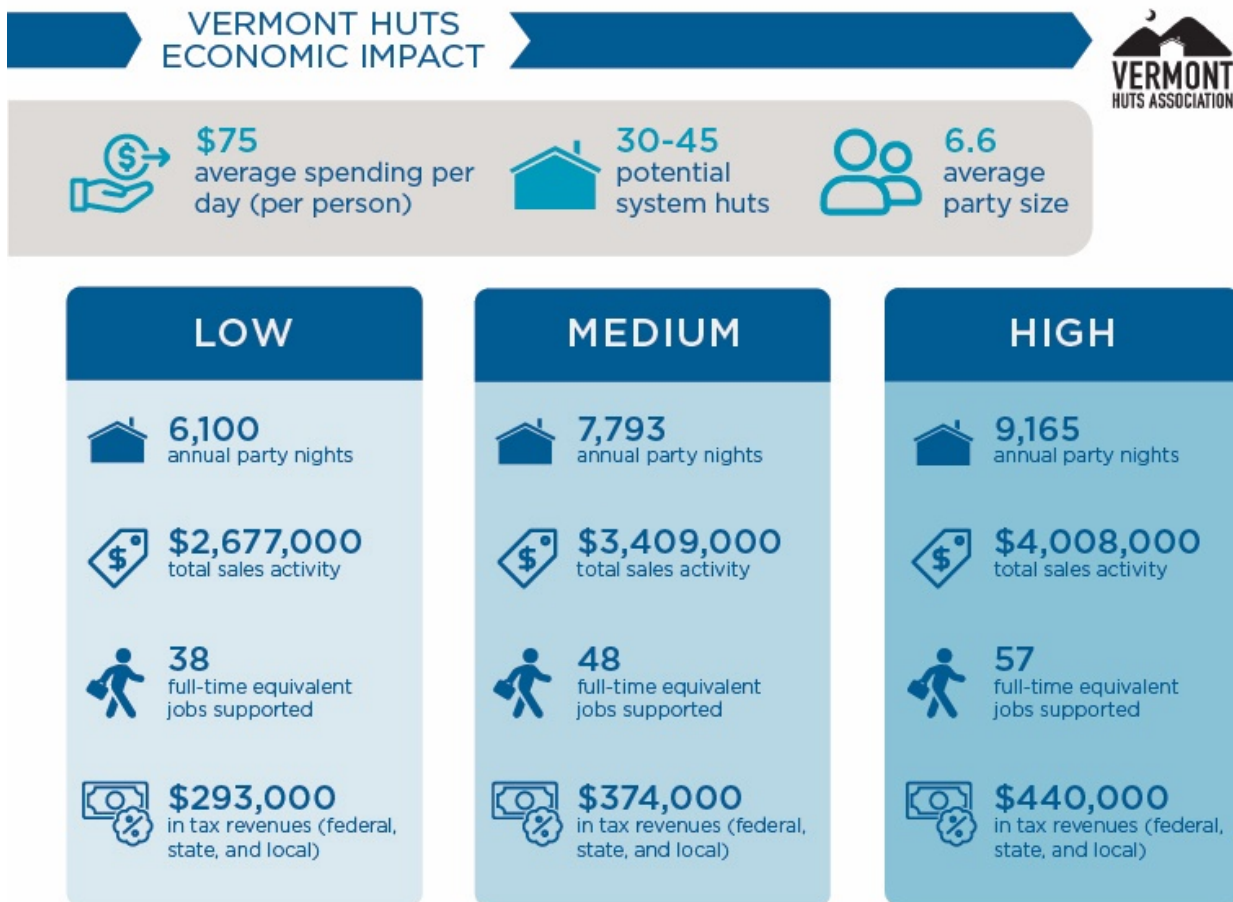
The spending profiles are very similar between overnight Velomont Trails and Vermont Huts users. Velomont Trail user spending is slightly higher in lodging, restaurant and bars, and clothing/sporting goods/souvenirs, as many Velomont Trail users would spend the night at in-town lodging and frequent restaurants/bars.

ECONOMIC IMPACT RESULTS

The following graphics show the estimated economic impact based on the use projections and spending profiles. Results are shown for projected use of the Vermont Huts, Velomont Trail, and the two systems combined (only counting Velomont Trail users staying in Vermont Huts once).

VERMONT HUTS

The Vermont Huts will generate an estimated \$2.7 to \$4.0 million in total sales activity annually, supporting between 38 and 57 full-time equivalent jobs, depending on visitation. The huts will also generate between \$293,000 and \$440,000 in tax revenues.



VELOMONT TRAIL

The Velomont Trail will generate an estimated \$1.04 million to \$3.2 million in total sales activity annually, supporting between 16 and 48 full-time equivalent jobs, depending on visitation. The trail will also generate between \$116,000 and \$353,000 in tax revenues (federal, state, and local).

VELOMONT TRAIL
ECONOMIC IMPACT



Average Spending Per Day

 **\$80** (overnight visitor)
\$32 (day visitor)

 **~75%**
of spending from
overnight visitors

 **~485**
miles of trail

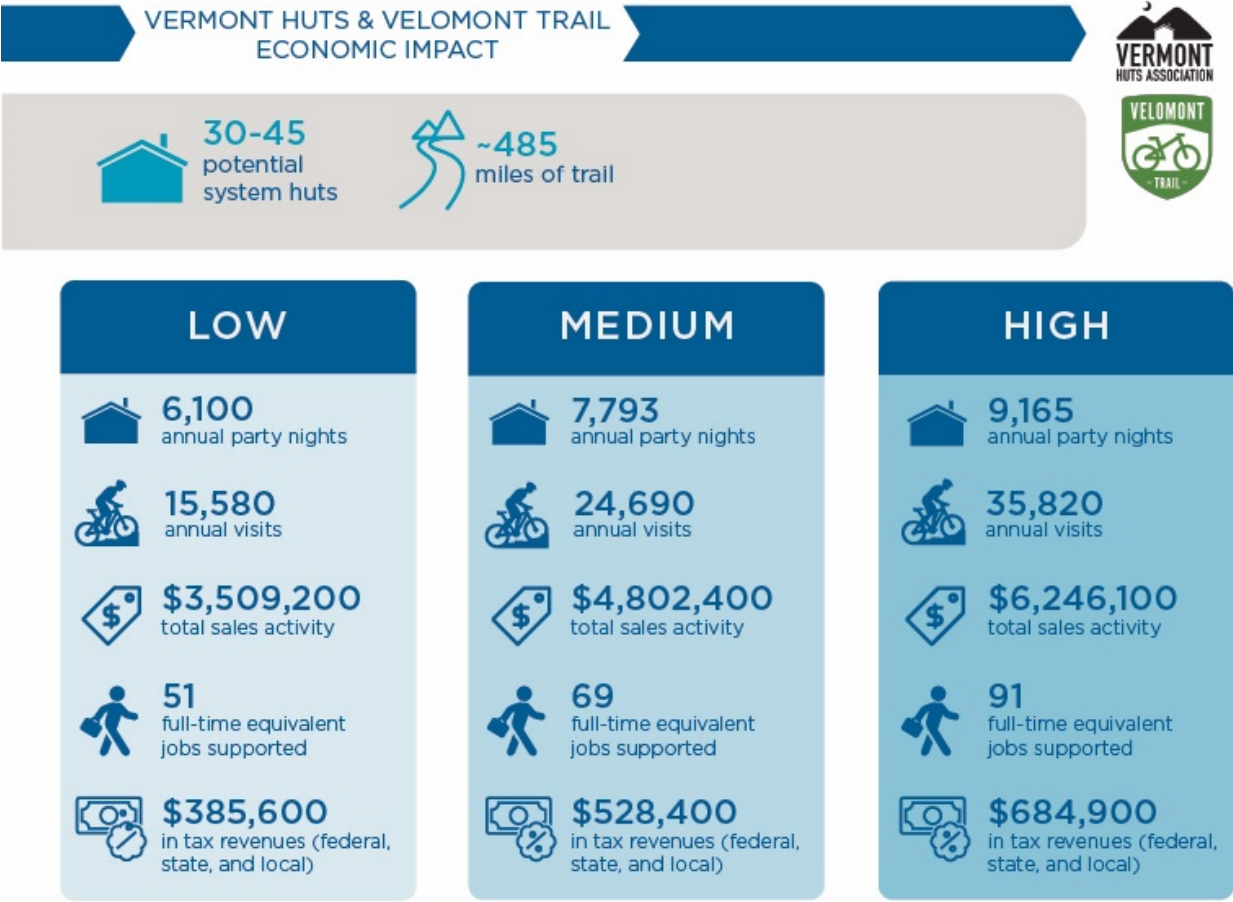
LOW	MEDIUM	HIGH
<div>15,580 annual visits</div>	<div>24,690 annual visits</div>	<div>35,820 annual visits</div>
<div>\$1,046,000 total sales activity</div>	<div>\$1,946,000 total sales activity</div>	<div>\$3,223,000 total sales activity</div>
<div>16 full-time equivalent jobs supported</div>	<div>29 full-time equivalent jobs supported</div>	<div>48 full-time equivalent jobs supported</div>
<div>\$116,000 in tax revenues (federal, state, and local)</div>	<div>\$215,000 in tax revenues (federal, state, and local)</div>	<div>\$353,000 in tax revenues (federal, state, and local)</div>

20



COMBINED IMPACT

The combined annual estimated economic impact of the Velomont Trail and Vermont Huts is \$3.5 million to \$6.2 million in total sales activity, supporting 51 to 91 full-time equivalent jobs. The two systems will also generate between \$385,600 and \$684,900 in tax revenues (federal, state, and local).



COMMUNITY ECONOMIC IMPACTS

The economic impact of the trail and hut system are presented for the broader region and cannot be estimated on a town by town basis. Towns with existing outdoor recreation economy infrastructure and that the trail will pass directly through are better positioned to capture greater economic impacts of the trail and hut system. However, given the length of the trail, there are countless communities who will see economic benefits from the trail and hut system.

Larger tourism destination communities, such as Stowe or Killington, are equipped to capture a large portion of visitor spending due to the supply of lodging accommodations. Beyond lodging spending, visitors tend to spend money on food, souvenirs, and other items in the town where they spend the night. Well-known tourism destinations are also frequently used as launch points for overnight backcountry trips or for resupplies at the many existing tourist-friendly businesses. Communities like this will receive the majority of spending.

Rochester does have an array of businesses and a few lodging establishments to support moderate visitor spending. The Town's lodging and rental units are largely located near the Village Center, supporting overnight visitors frequenting the town's shops and restaurants. The Town also has the potential to capture mid-day spending—riders buying lunch and snacks or a part for their bike. Rochester's outdoor recreation reputation and offering will definitely encourage trail riders to stop, explore the town, and support businesses. Such communities will receive a moderate portion of the spending. This spending may have a larger impact on the local economy comparatively. For example, \$10,000 in tax revenues in Rochester may be a larger portion of the town's annual revenue than \$20,000 in Stowe.

Hancock is a smaller community that still has opportunities to capture visitor spending. The town does have a lodging establishment and few rental properties where it can capture lodging spending. Visitors passing through Town may also stop at the country store, gas stations, or Old Hancock Hotel for snacks or supplies. In time, with many trail users passing through town, businesses geared towards visitors could open and capture more visitor spending in Hancock. Such communities will receive a smaller portion of the spending. Like with Rochester, given the small size of the town's economy, this additional spending may have a greater impact than the increased spending in larger communities.



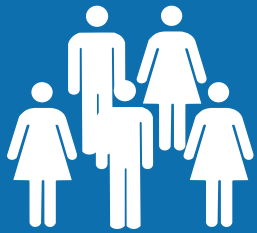
APPENDICES

APPENDIX A. EXISTING CONDITIONS OF TRAIL COMMUNITIES

Town of Chittenden, Rutland County
Town of Killington, Rutland County
Town of Hancock, Addison County
Town of Rochester, Windsor County
Town of Pittsfield, Rutland County
Town of Randolph, Orange County

Community Profile

Town: Chittenden | County: Rutland



Population: 1,245



Median Age: 46.2



of School Age
Children: 305



Median Household
Income: \$65,326



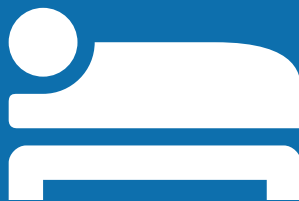
24.5% County Employment
in Travel & Tourism



Residents Below
Poverty Level: 7.5%



16.6% Residential Units in
Seasonal/Recreational Use



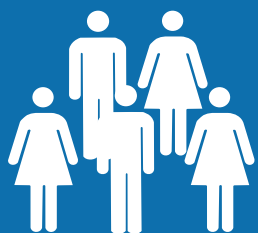
Number of Lodging
Properties: 3



Number of Bars and
Restaurants: 1

Community Profile

Town: Killington | County: Rutland



Population: 709



Median Age: 55.4



of School Age
Children: 98



Median Household
Income: \$60,288



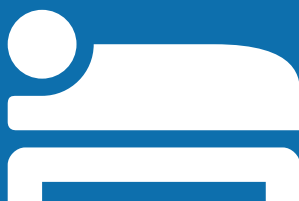
24.5% County Employment
in Travel & Tourism



Residents Below
Poverty Level: 5.8%



80.1% Residential Units in
Seasonal/Recreational Use



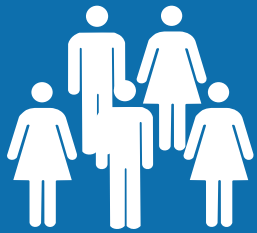
Number of Lodging
Properties: 19



Number of Bars and
Restaurants: 20+

Community Profile

Town: Hancock | County: Addison



Population: 300



Median Age: 53.3



of School Age
Children: 47



Median Household
Income: \$51,071



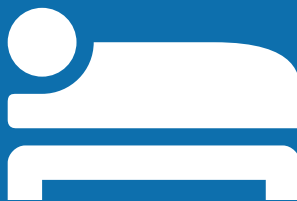
10.7% County Employment
in Travel & Tourism



Residents Below
Poverty Level: 14.0%



22.5% Residential Units in
Seasonal/Recreational Use



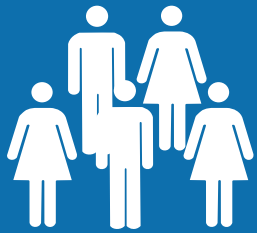
Number of Lodging
Properties: 2



Number of Bars and
Restaurants: 1

Community Profile

Town: Rochester | County: Windsor



Population: 1,061



Median Age: 53.2



of School Age
Children: 155



Median Household
Income: \$50,938



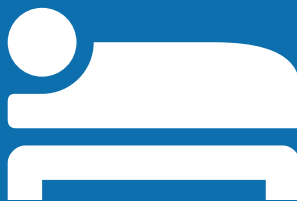
22% County Employment in
Travel & Tourism



Residents Below
Poverty Level: 11.7%



27.8% Residential Units in
Seasonal/Recreational Use



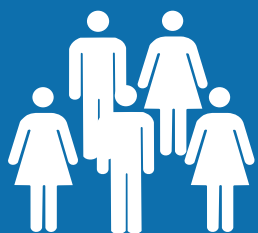
Number of Lodging
Properties: 4



Number of Bars and
Restaurants: 4

Community Profile

Town: Pittsfield | County: Rutland



Population: 412



Median Age: 43.9



of School Age
Children: 88



Median Household
Income: \$54,464



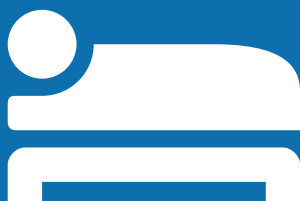
24.5% County Employment
in Travel & Tourism



Residents Below
Poverty Level: 10%



39.7% Residential Units in
Seasonal/Recreational Use



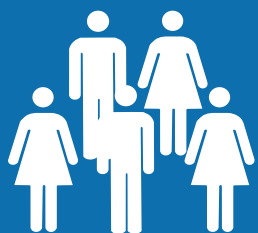
Number of Lodging
Properties: 4



Number of Bars and
Restaurants: 3

Community Profile

Town: Randolph | County: Orange



Population: 4,715



Median Age: 42.4



of School Age
Children: 799



Median Household
Income: \$55,882



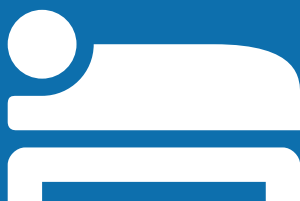
14.1% County Employment
in Travel & Tourism



Residents Below
Poverty Level: 12.4%



4.8% Residential Units in
Seasonal/Recreational Use



Number of Lodging
Properties: 3



Number of Bars and
Restaurants: 10