

An Economic Impact Tool for National Scenic Byways and All-American Roads

Presented by:
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Overview

- Economic Impact 101
- How can Byways Measure Impact?
- Project Background
- The (Draft) Impact Tool
- Using the Tool's Results

Economic Impact 101

Imagine the economy as a giant pinball machine...



Economic Impact 101

What is Economic Impact?

Inputs

\$

Direct
Investments

Visitor
Spending



Jobs

Housing Purchases

Retail Spending

Vendor Purchases

Local Investment

Multiplier Effect



Outputs

\$ \$

\$ \$

Economic
Impact

Economic Impact 101

Measuring Economic Impact

- Impact Types
 - Direct
 - Indirect
 - Induced
- Impact Period
 - One-time
 - Ongoing
- Measures
 - Economic Output
 - Employment and Earnings
 - Tax Revenue

Economic Impact 101

The "But For" Test

But For the existence of your Byway:

- would certain investments have been made...
- would an increment of visitors come...
- would visitors have spent as much money...
- would property values have increased as much...
- would certain jobs have been created...
- would some residents have moved to the region...

...or Not?

Economic Impact 101

Substitution Effects

*Even if the economic activity is
100% associated with the Byway...*

*to what extent would
this spending have occurred anyway?.*

How can Byways Measure Impact?

Byways generate many types of impacts:

- Capital investments in preserving IQs
- Investments in properties and businesses
- Appreciation of real property value
- Direct spending by residents and visitors
- Local, county, and state tax revenues
- Jobs and wages
- Indirect impacts

How can Byways Measure Impact?

Methodological issues to consider:

- Geographic area of interest
- Documenting cause/effect relationships (passing the "but for" test)
- Distinguishing total spending from net new
- Consider one-time and recurring expenditures separately

How can Byways Measure Impact?

Potential types of data needed for analysis:

- Visitor profiles/spending patterns
- Number of additional visitors to the region
- Net new spending attributable to the Byway
- Public and private capital investments and operating expenditures
- Property value appreciation
- Employment and wage impacts
- Tax rate information

Project Background

- Process
 - Steering Committee formed
 - Consultant hired in March 2009
 - Regular web conferences/teleconferences
 - Beta testing starts next week!
 - Final product by end of 2009
- Next steps
 - Tool will be available on ABRC website
 - ABRC will offer ongoing support
 - Its value is up to all of you

The (Draft) Impact Tool

Here it is!

- A powerful, user-friendly interface
- Based in Microsoft Excel 2007 (2003 compatible)
- Highly scalable
- Includes a comprehensive technical manual/tutorial
- Presents results in several ways
- Designed to be used again and again

The Most Amazing Feature of All

Here it is!

It's free.*

* Almost.

Using the Tool's Results

- Obtaining local and state funding
- Supporting grant applications
- Identifying gaps in regional economy
- Shaping land use decisions
- Refining tourism marketing efforts
- Stimulating private investment
- Recruiting entrepreneurs/new businesses



For More Information about the Impact Tool:



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