



Outdoor Recreation as an Economic Driver

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An aerial photograph of a large industrial complex, likely a power plant or refinery. A prominent feature is a tall smokestack in the center, which is emitting a thick, white plume of smoke that rises into the sky. The facility itself is a dense cluster of buildings and structures, surrounded by a flat landscape. The sky is clear and blue.

ONE OF AMERICA'S
BIGGEST INDUSTRIES



Katherine Andrews

Arkansas Native
Avid Outdoorswoman

Education

University of Arkansas, BSBA in Finance
University of Oklahoma, Economic
Development Institute

Professional Experience

Commercial Real Estate Sales Associate,
Hathaway Group

Arkansas Economic Development
Commission

- Project Manager, Business Development
- Director, Small Business and
Entrepreneurship Development Division

Director, Office of Outdoor Recreation





What is Outdoor Recreation?

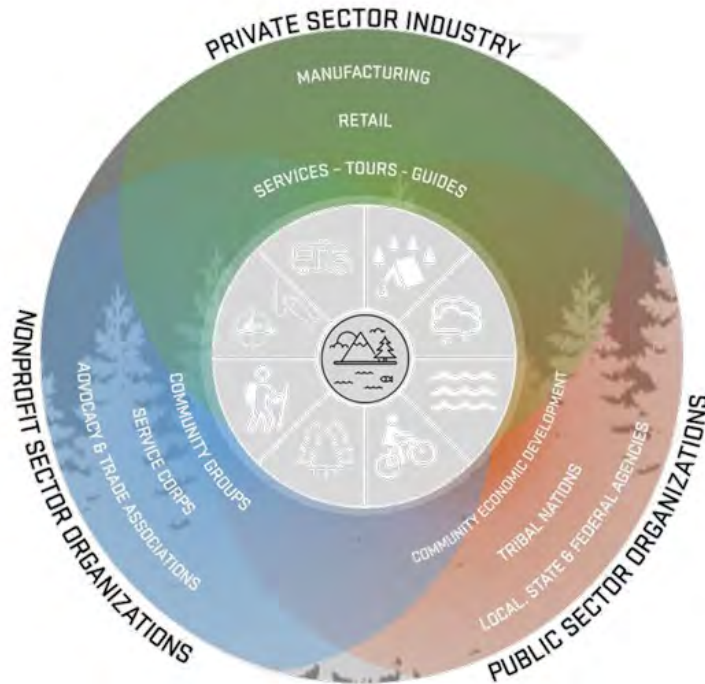
Outdoor Recreation is a **collaborative relationship**

- Land, water, air, wildlife
 - Infrastructure and access - activities
- Services, goods, organizations, institutions, etc.

Recreation + Outdoors

- **Leisure**, enjoyment, learning, self-actualization
- **Outdoors**, engaging with natural environments

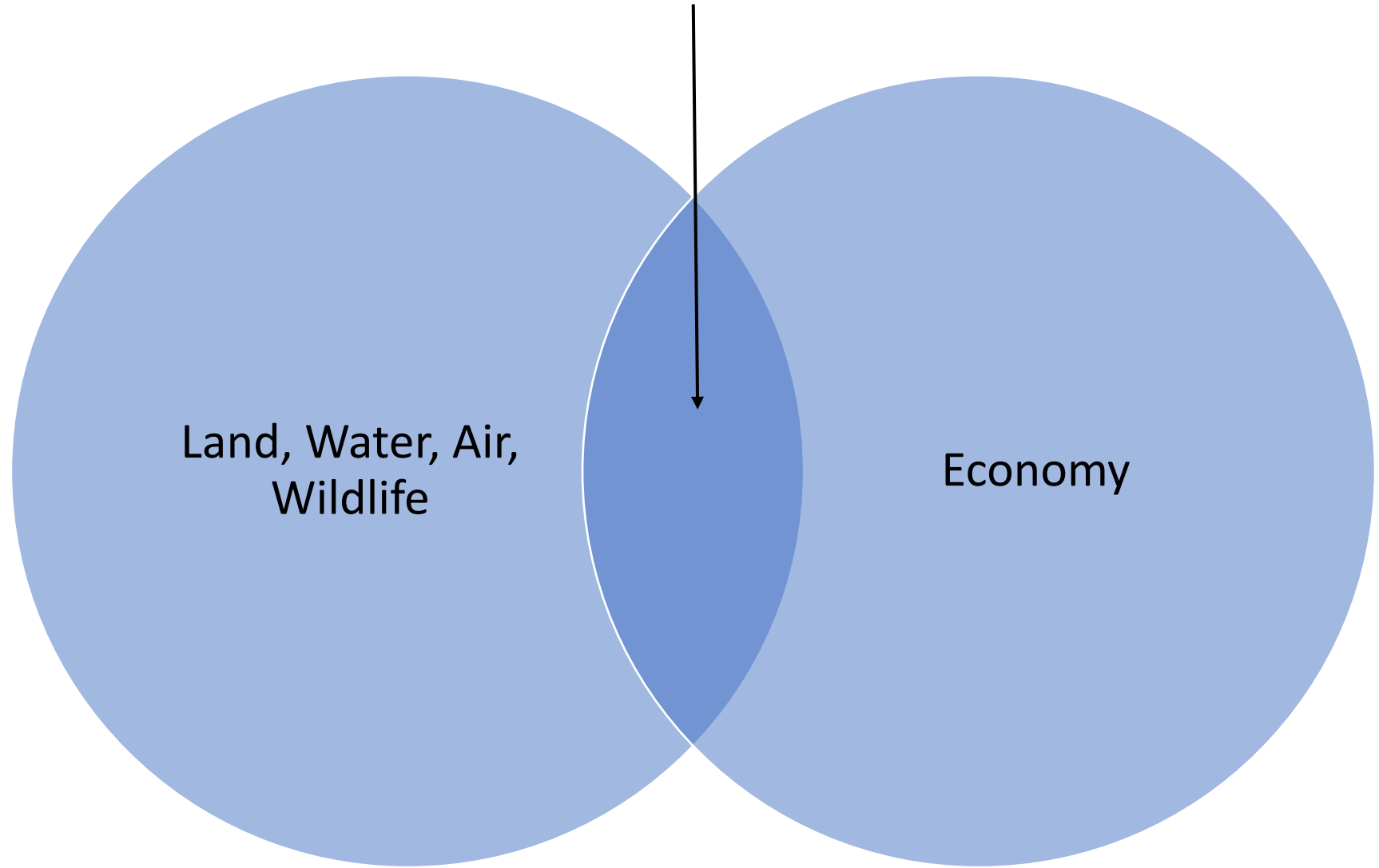
Outdoor recreation is any leisure time activity which is being conducted outdoors where individuals engage themselves either physically or mentally from a range of choices of activities for their personal satisfaction and enjoyment.



Oregon State University



Outdoor Recreation Economy

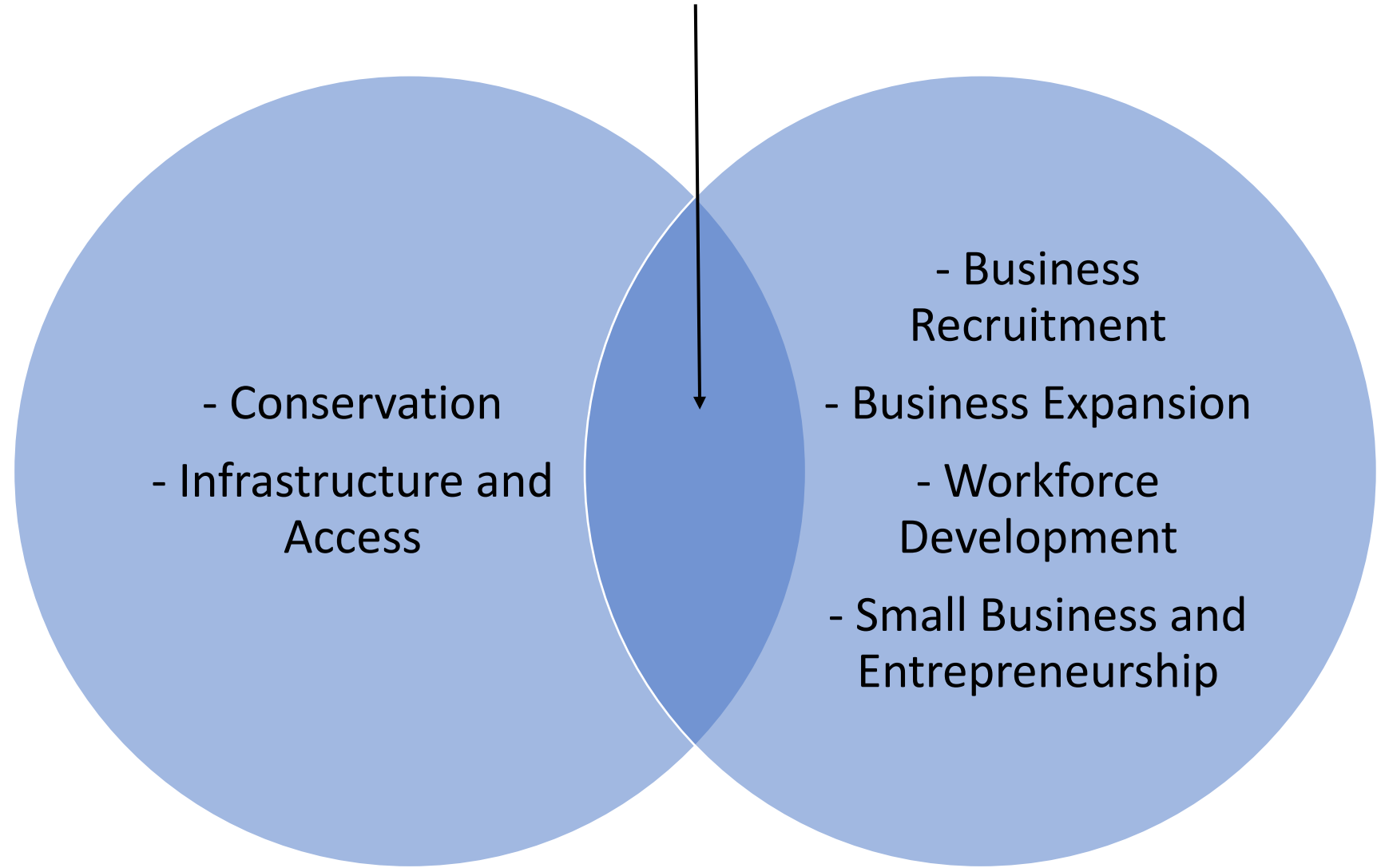


Land, Water, Air,
Wildlife

Economy

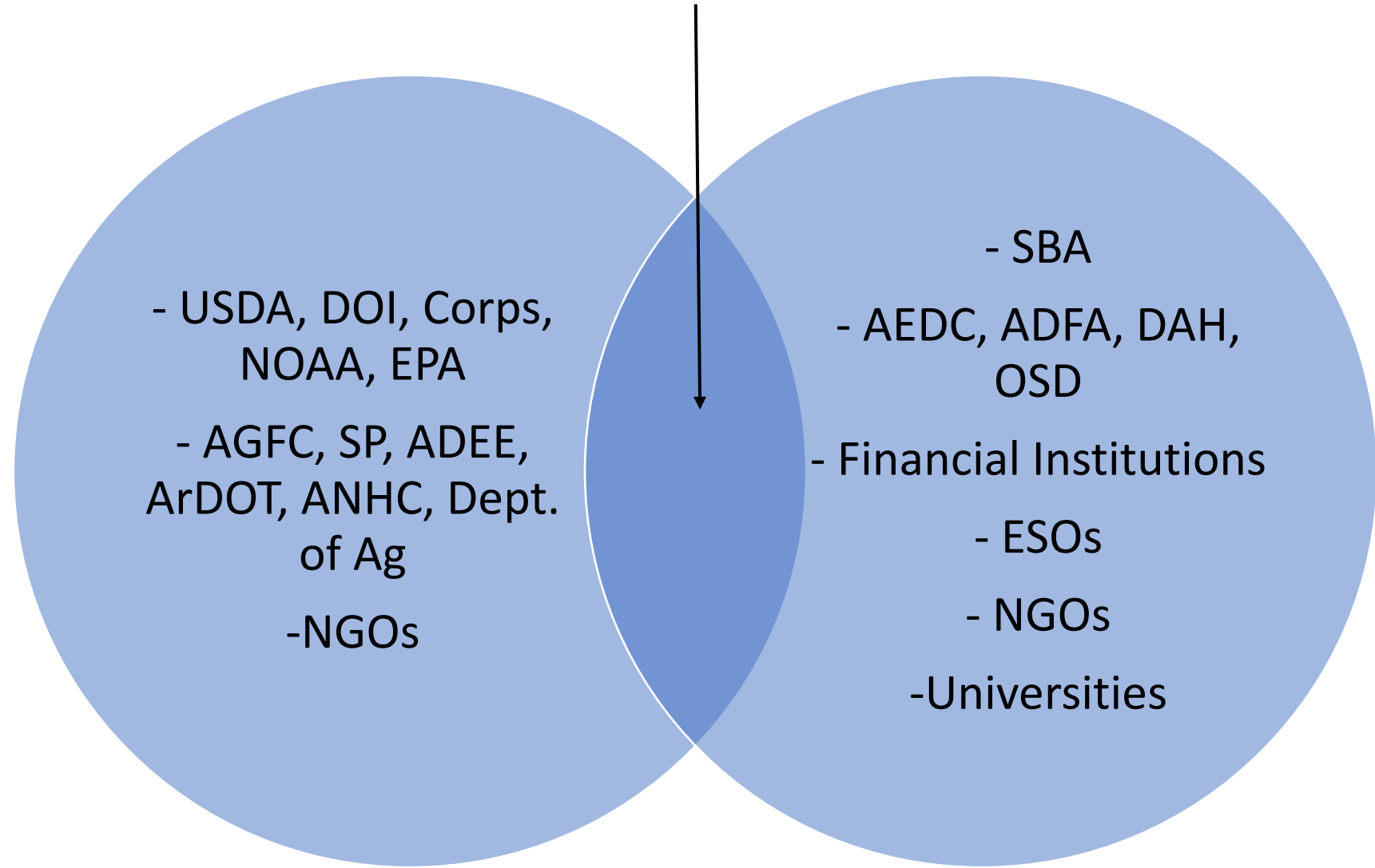


Outdoor Recreation Economy





Office of Outdoor Recreation





The outdoor recreation economy does not exist without land, water, air and the infrastructure upon them.

access = growth

Outdoor Recreation Economy

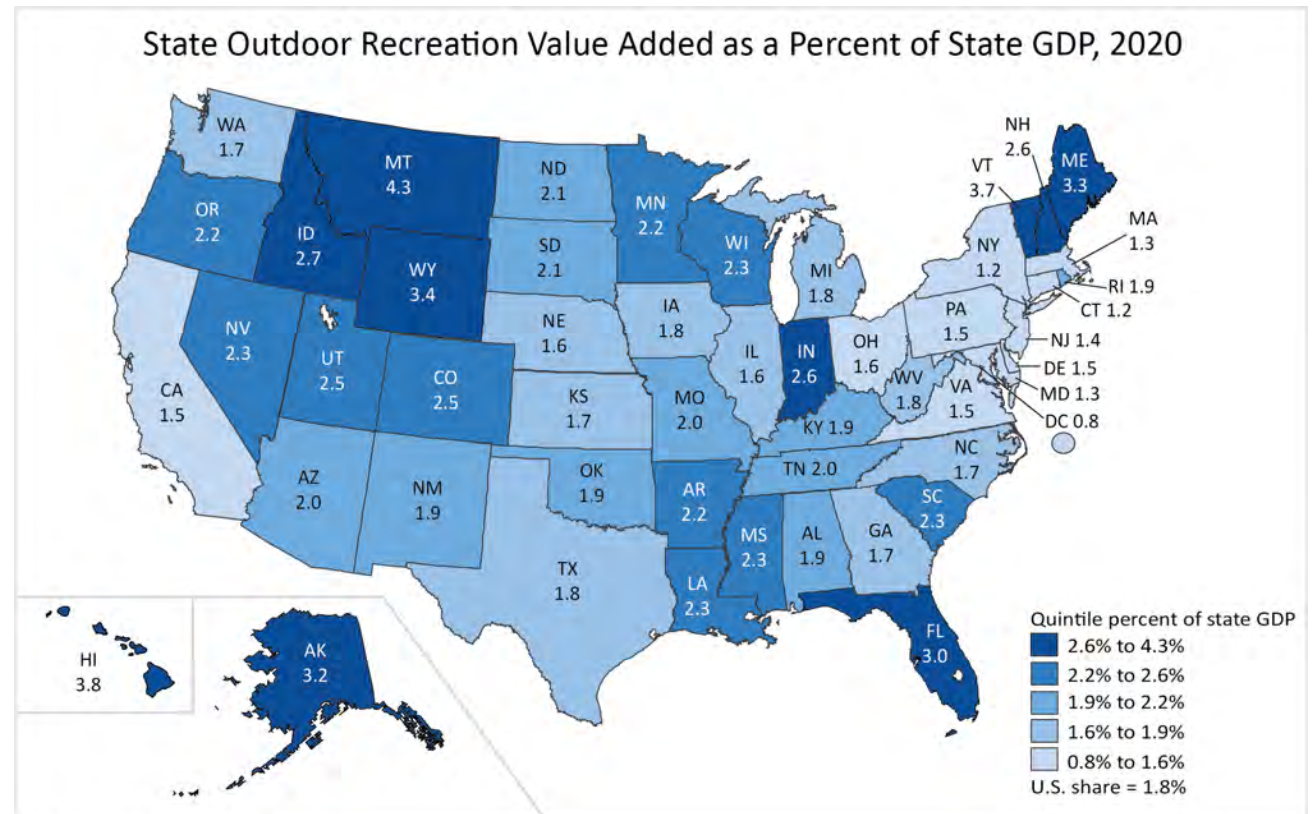
Land, Water, Air, Wildlife



Outdoor Recreation's Economic Impact | NATIONAL

The Bureau of Economic Analysis estimates that outdoor recreation generates **\$689 billion** in gross output and supports **4.3 million jobs**.

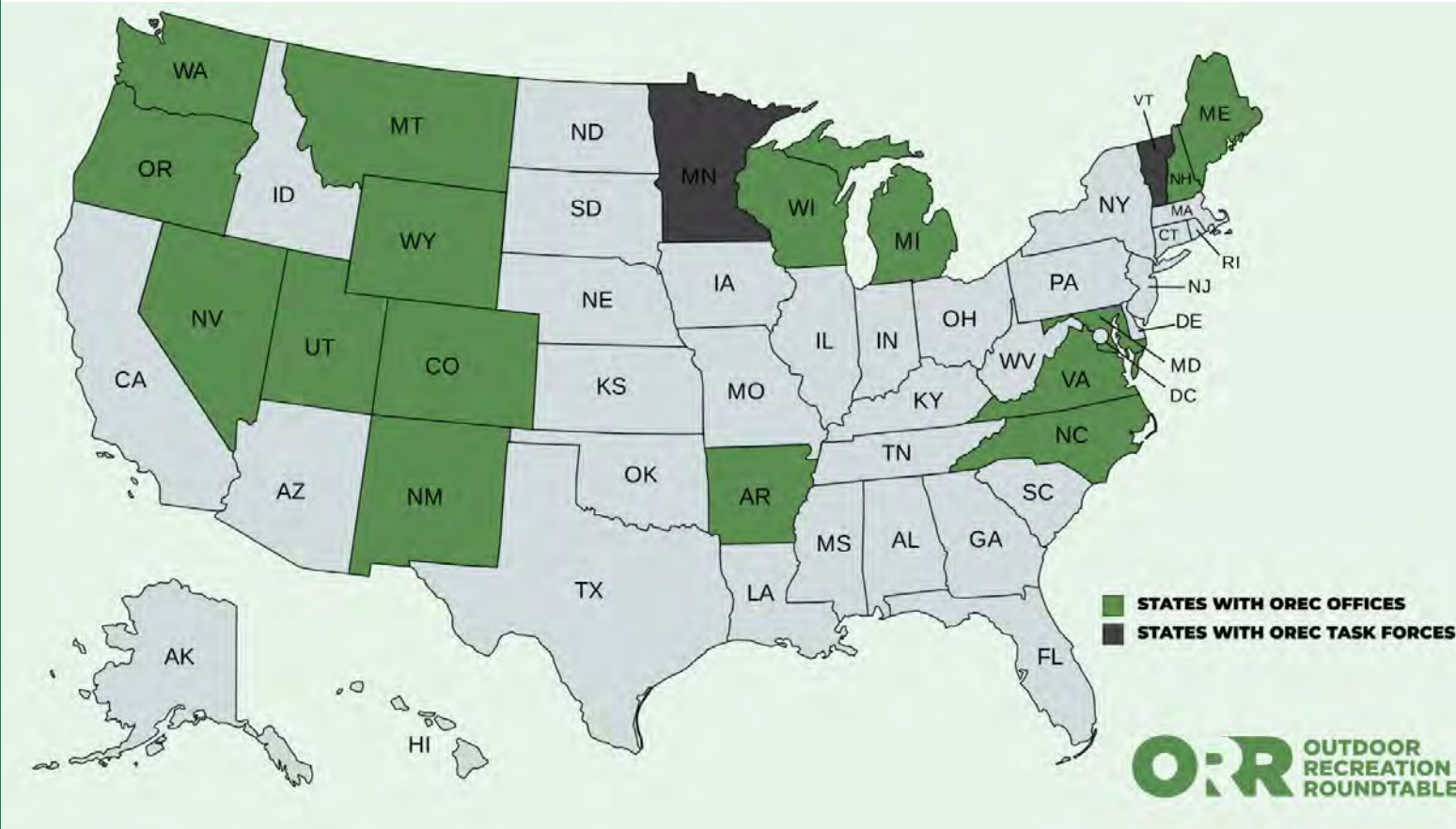
In 2020, outdoor recreation comprised **1.8%** of the United States GDP.



U.S. Bureau of Economic Analysis



What is a State Office of Outdoor Recreation?



State Offices of Outdoor Recreation (ORECs) serve as central champions for the outdoor recreation economy and its associated benefits within a state.

To date, **16** states have created offices of outdoor recreation, task forces, or policy advisors.



Why Arkansas?

- 30.1% increase in hospitality tax revenue
- 50% increase in collections of the Arkansas statewide tourism tax
- 7.6% increase in the monthly average of Arkansas' tourism industry employment
- Record visitation to our State Parks
- Two \$20M grants for the Delta Heritage Trail
- Illinois River Whitewater Park
- Maumelle Pinnacles Trail
- Purchase of Blue Mountain, Rattlesnake Ridge
- New Pinnacle Mountain SP Visitor Center
- Monument Trails
- Lake Sylvia partnership
- \$3.6M grant announcement by ORGP
- Southwest Trail, Crowley's Ridge Trail developments



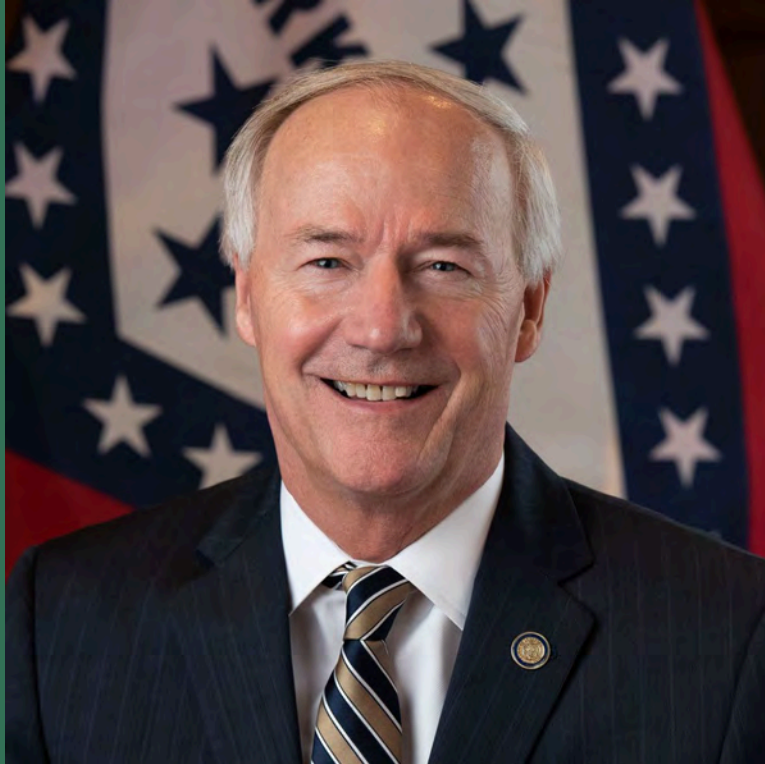
Outdoor Recreation's Economic Impact | STATEWIDE

2020—Arkansas

Outdoor Recreation Satellite Account (ORSA)

Value added (GDP)		Employment		Compensation	
ORSA total	Share of state	ORSA total	Share of state	ORSA total	Share of state
\$2.9 billion	2.2%	37,089 jobs	2.9%	\$1.5 billion	2.0%

According to the BEA, in 2020, Arkansas ranked **4th** among all states in value added growth, **7th** among all states in employment growth, and **2nd** among all states in compensation growth.



GOVERNOR ASA HUTCHINSON



STACY HURST
SECRETARY & STATE HISTORIC
PRESERVATION OFFICER

Arkansas Department of Parks, Heritage and Tourism

The Arkansas Department of Parks, Heritage and Tourism protects and promotes our state's natural, cultural and historic assets, contributing to a thriving economy and high quality of life.



Advisory Board

George Dunklin

Amanda Herget

Ernie Lechuga

Will Montgomery

Steve Straessle

Susan Peacock

Mike Mills

Bill Barnes

Robin McClendon

Clint Gaston

STATE OF ARKANSAS
EXECUTIVE DEPARTMENT
PROCLAMATION

EO 21-43

TO ALL TO WHOM THESE PRESENTS COME - GREETINGS:

EXECUTIVE ORDER TO ESTABLISH THE OFFICE OF OUTDOOR RECREATION AND THE ARKANSAS OUTDOOR RECREATION ADVISORY BOARD

WHEREAS: Outdoor recreation is major economic force, annually adding \$58.2 billion in national consumer spending and supporting 7.6 million jobs nationwide; and

WHEREAS: Tourism is Arkansas's second largest industry and annually adds \$7.68 billion in consumer spending; and

WHEREAS: Visitors from across the country and the world are drawn to Arkansas's rich forests, stunning vistas, clear running rivers, rugged mountains, and built human environments; and

WHEREAS: Outdoor recreation has always played a key role in Arkansas's tourism appeal. Outdoor recreation supports 96,000 direct jobs in Arkansas and contributes \$9.7 billion in consumer spending annually; and

WHEREAS: Incredible organic growth has taken place in the outdoor recreation sector through direct state investment, the mission of federal agencies, public-private-partnerships, non-profits philanthropic giving, and the tireless work of countless individual advocates and enthusiasts; and

WHEREAS: There exists a broad and diverse group of stakeholders statewide but no central platform to organize and consolidate major efforts to further enhance outdoor recreation in Arkansas. As such, there is no entity to study, coordinate, or expand the efforts of these stakeholders to maximize the positive benefits of outdoor recreation for the State of Arkansas; and

WHEREAS: There is an ongoing need for the State of Arkansas to support and expand its outdoor recreation opportunities while also acting as careful stewards of the landscapes that sustain recreation and our way of life;

NOW, THEREFORE, I, ASA HUTCHINSON, acting under the authority vested in me as Governor of the State of Arkansas, do hereby order the Arkansas Department of Parks, Heritage and Tourism to create an Arkansas Office of Outdoor Recreation (the Office). The office shall be headed by a Director of Outdoor Recreation (the Director) and shall report directly to the Secretary of the Department of Parks, Heritage, and Tourism. The Director shall coordinate with state agencies, federal partners, and other stakeholders on projects where outdoor recreation intersects with their goals and missions.

FURTHERMORE, there is hereby created an Arkansas Outdoor Recreation Advisory Board (the Board). The Board shall advise and assist the Director of Outdoor Recreation and the Secretary of Parks, Heritage, and Tourism in identifying outdoor recreation opportunities, growing and aligning the outdoor recreation workforce with future economic opportunities, and conserving the natural landscapes that support outdoor recreation.

(1) The Board shall consist of not more than ten members.

(2) Each member shall be selected by and serve at the pleasure of the Governor.

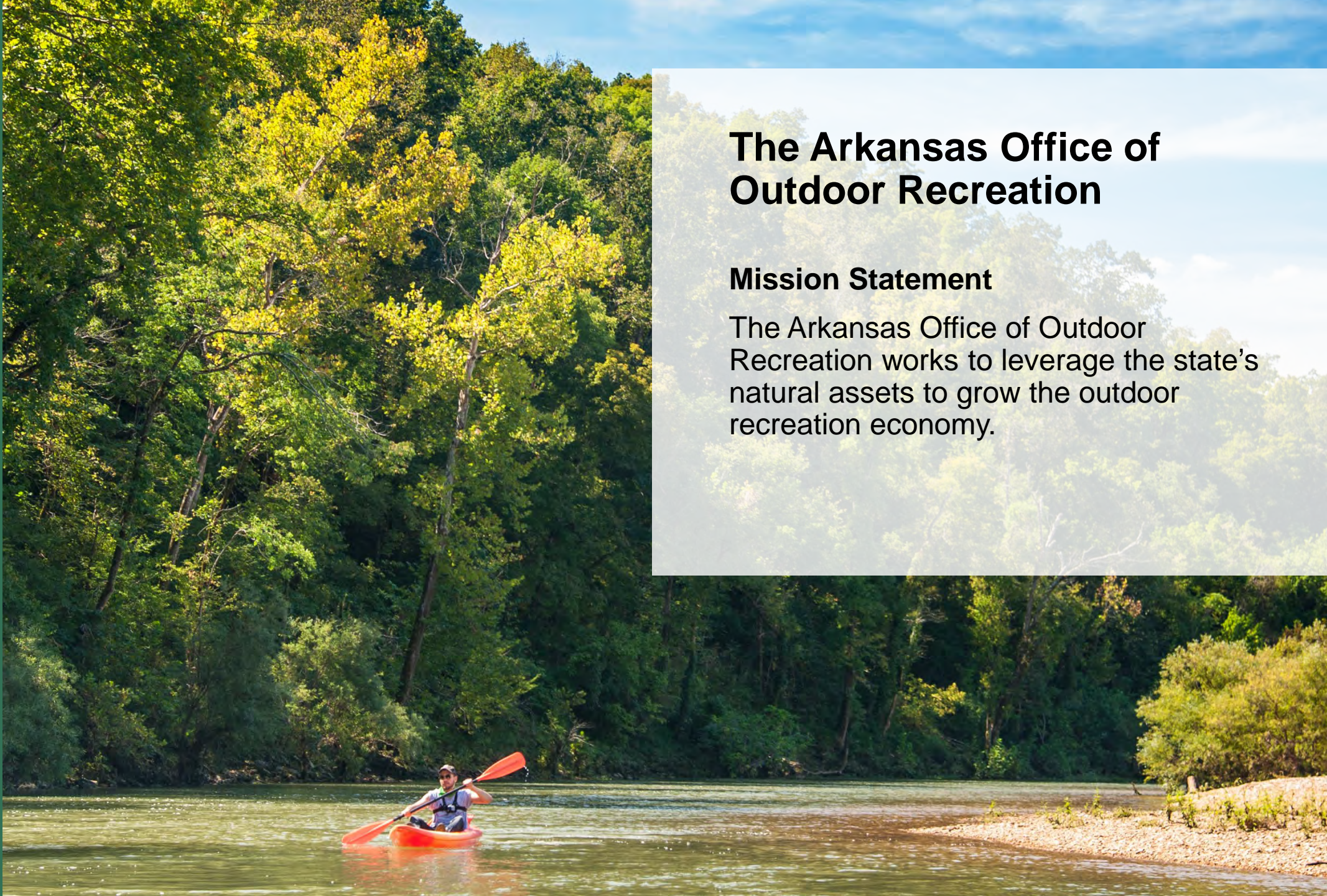
IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed this 17th day of June, in the year of our Lord 2021.


Asa Hutchinson, Governor



Attest:

John Thurston, Secretary of State



The Arkansas Office of Outdoor Recreation

Mission Statement

The Arkansas Office of Outdoor Recreation works to leverage the state's natural assets to grow the outdoor recreation economy.



Primary Goals

Connection and Collaboration

- Serve as a connector of resources, creator of partnerships, and catalyst of growth in the Arkansas outdoor recreation economy.
- Grow relationships.
- Central point of contact.
- Grow employment and entrepreneurship.

Promotion and Awareness

- Establish Arkansas as a top destination for outdoor recreation.
- Promote the full spectrum of opportunities to all Arkansans.
- Promote economic impact.
- Improve impact on public health and wellness.



Outdoor recreation contributes to economic success in many ways.

TOURISM

Visitors who come to enjoy the outdoors spend money on lodging, restaurants, and other services, creating jobs and putting money into the community.

ENTREPRENEURS + TALENT

Access to the outdoors and a high quality of life attracts and retains new businesses and skilled workers.

RETIREMENT + INVESTMENT INCOME

Wealth from retirees and investors—who are drawn to live near outdoor access—helps boost the local economy.

TAX REVENUE

Spending at local businesses and increased property tax revenue contribute to the tax base.

NEW RESIDENTS

Places with recreation amenities on federal public lands have higher rates of in-migration, helping fuel jobs for teachers, doctors, construction workers, and more.

MAIN STREET BUSINESSES

Restaurants, grocery stores, gear stores, and other local retailers benefit from visitors and new residents.

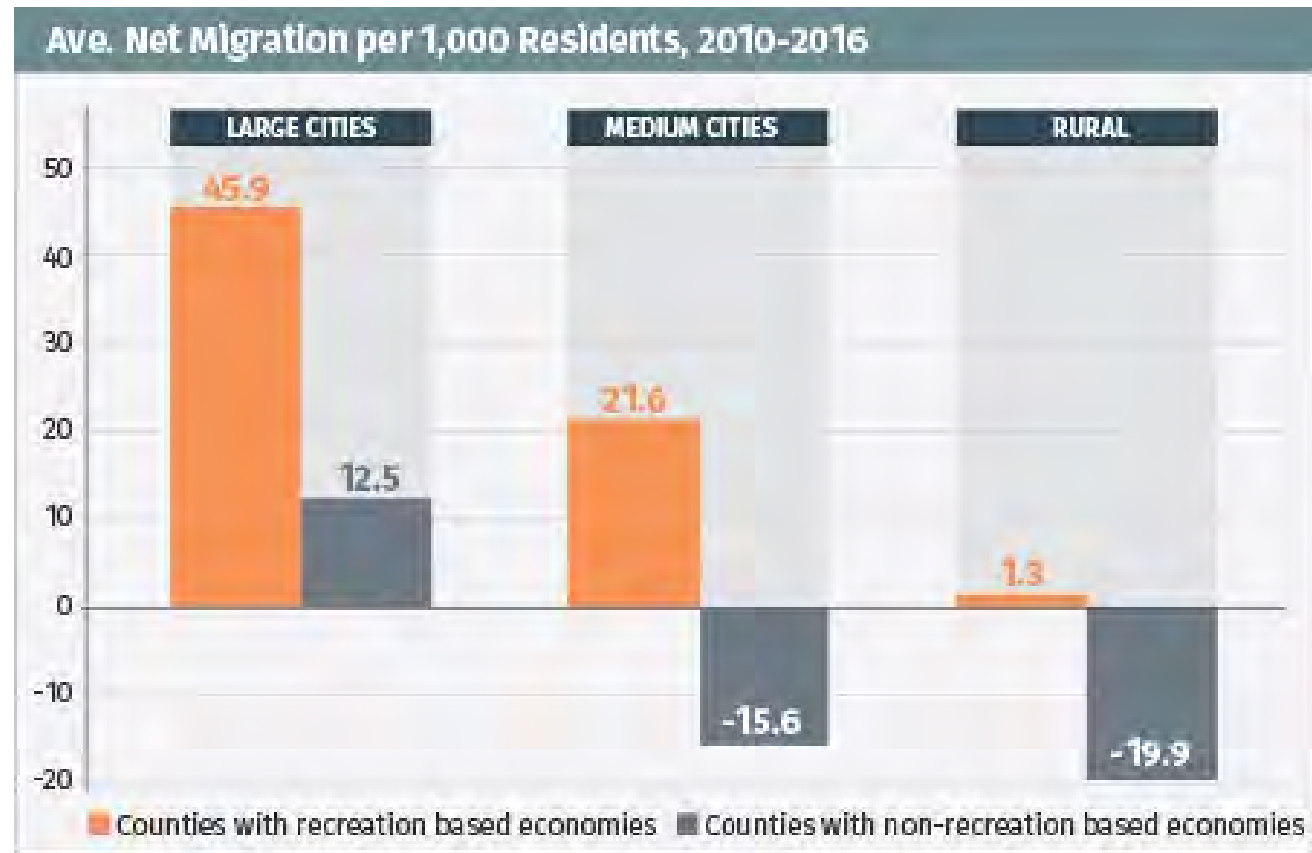
GEAR MANUFACTURING

Companies that make outdoor equipment tend to locate in places with outdoor amenities, providing jobs and investment in the community.

HEALTHIER RESIDENTS

Access to the outdoors improves public health and reduces costs of chronic conditions, especially for impoverished and under-resourced neighborhoods.





Source: Headwaters Economics. *Recreation Counties Attract New Residents.*

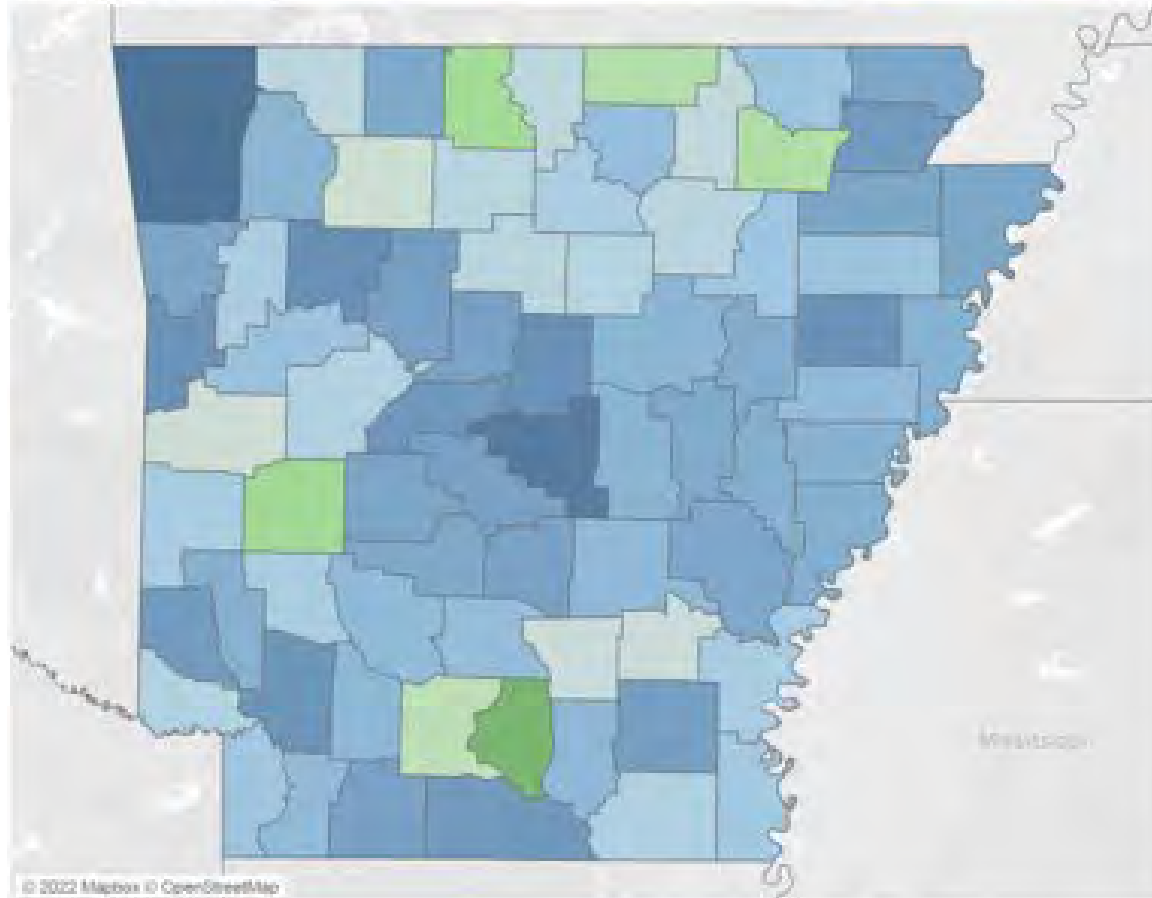
Communities with outdoor recreation-based economies attract entrepreneurs and new residents, including retirees and people with investment income.



Visitor Spending Change

Year: 2020, % change YOY

% change YOY Spending
-40.5% 19.4%



A high concentration of visitor spending in Arkansas occurs in the more urbanized counties of Benton, Pulaski, and Washington. In typical years, these 3 counties account for upwards of 43% of visitor spending to the state. However, in 2020, the share of spending within those 3 counties combined fell to 35%.

The best performing counties of 2020 boast natural and outdoor attractions, such as those around the Ozark Mountains and Ouachita National Forest. The resiliency provided by outdoor activities in 2020 resulted in some counties' tourism industries achieving new highs.



Real World Examples

- Katy Trail, Missouri



\$29.2 Million Economic Impact in 2022

\$18.5 Million Economic Impact in 2011



Real World Examples

- Gallup, New Mexico



Adventure Capital of New Mexico



Real World Examples

- Montrose, Colorado



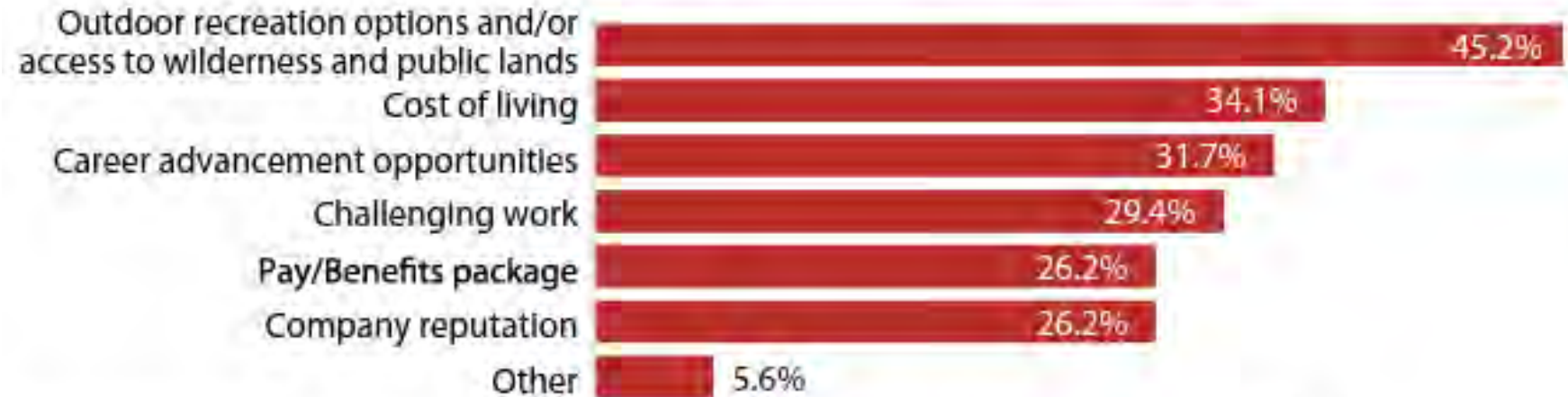
Lured in fly-fishing gear manufacturer, Ross Reels



Real World Examples

- State of Utah

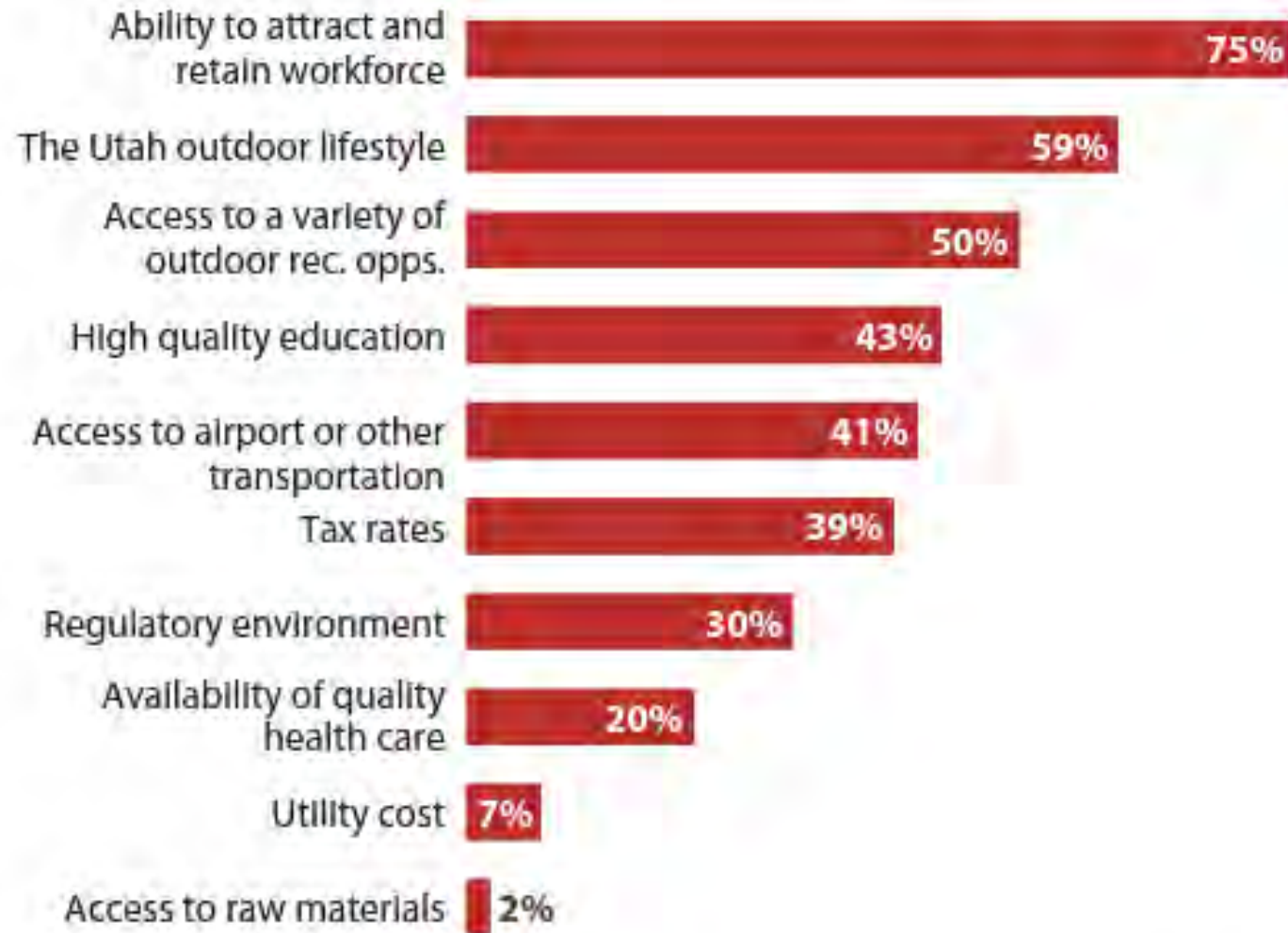
Recruitment efforts used by employers to attract Utah transplants



Source: Kem C. Gardner Policy Institute, Utah Outdoor Partners Survey of Tech Sector Employees, 2021



Which of the following factors were considered in your company's decision to be located in Utah?



Source: Kem C. Gardner Policy Institute, Utah Outdoor Partners Survey of Businesses, 2018.



How to get started

- Identify natural assets
 - Form a plan to increase sustainable access
- Unite outdoor business community
 - Work to address their barriers to growth
- Create a brand
 - Attract new visitation and create quality of place



Questions?

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