Opportunity Knocks

How the Proposed Lone Star Coastal National Recreation Area Could Attract Visitors, Boost Business, and Create Jobs

An Evaluation of Potential Economic Impacts for the Upper Texas Gulf Coast Counties of Brazoria, Chambers, Galveston, and Matagorda
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Project funding
Houston Wilderness  www.houstonwilderness.org
National Parks Conservation Association  www.npca.org
SSPEED Center, Rice University  sspeed.rice.edu
Houston Endowment  www.houstonendowment.org
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Cover photo
Paddlers participate in an Artist Boat program. The non-profit Artist Boat uses art and science to promote awareness of coastal areas like this Galveston Island marsh.
Photo: © Bob Howen.

Special Thanks
Thank you to the dozens of community, government, NGO, and business leaders in Brazoria, Chambers, Galveston, Harris, and Matagorda counties who provided invaluable information and insight for this report and the underlying economic impact analysis.
About this Report
In 2011, the Harbinger Consulting Group conducted a study to evaluate the potential economic impacts of the proposed Lone Star Coastal National Recreation Area (LSCNRA) in four counties along the upper Texas Gulf coast. The study was commissioned by the National Parks Conservation Association with funding assistance from Houston Wilderness, the Rice University SSPEED Center, Houston Endowment, and Alfred C. Glassell, III. This report summarizes the study's findings.

Understanding the Economic Impact Study
In its analysis, the Harbinger Consulting Group estimated economic impacts using an “input-output” model. This model assumes that money spent locally—for example, by visitors paying for meals, lodging, fuel, and gifts—supports further economic activity. Businesses spend these dollars to pay employees, purchase goods, and pay for rent, fuel, taxes, and other expenses. Some of these expenditures are made locally, where the money can then be spent “again” by the businesses and persons who receive it, and so on.

“Direct impacts” are calculated as the amount of spending for an activity or by an organization or group—such as a nonprofit preserve manager or non-local visitors—and the jobs this spending immediately supports. “Total impacts” reflect the “multiplier effect” of portions of those direct expenditures being circulated through the local economy, as described above.

Impacts of visitor spending are estimated based on non-local visitor spending only. Their expenditures are clearly “new” dollars that originated outside the study area and can be clearly linked to the presence of the sites and entities that together could comprise the Lone Star Coastal National Recreation Area. Spending by local visitors does have an economic impact, but it is difficult to determine how much of that money would not have been spent locally if the LSCNRA did not exist. Given these difficulties, and the relatively small contribution local visitor spending would make to the impacts examined in this study, this analysis takes a conservative approach, calculating the economic impact of visitor spending based solely at the expenditures of out-of-area visitors (those from outside the four-county study area).

Hurricane Ike tore through the upper Texas Gulf coast in 2008, unleashing devastation on communities and economies. Yet portions of the region fared better, showing that undeveloped lands along the coast serve as a natural buffer for a tremendous amount of storm surge tide. This natural landscape, from sea level to as much as 15 feet elevation, is an integral part of a long-term, non-structural flood mitigation system. In other words, the water-storage capacity of these low-lying areas can help reduce flooding and property damage inland.

Creating a new recreation area under joint management of local partners and the National Park Service (NPS) has been proposed as one strategy for enhancing community safety while deriving additional economic benefits from these lands. This new national recreation area would include voluntary land-owning participants in the coastal buffer zone. Behind this proposal is the idea that enhanced recreational use of these lands would draw additional economic value from maintaining this aspect of the region’s flood mitigation system.

This report examines the potential economic impacts of the proposed Lone Star Coastal National Recreation Area (LSCNRA) on Brazoria, Chambers, Galveston, and Matagorda counties. It does not assess additional benefits from enhanced flood protection; however, these benefits are likely to be sizeable.

A national recreation area would offer the region’s communities significant economic advantages. At the same time, it could provide a framework for coordinated protection of critical natural flood control capacity and natural-resource-based industries along the upper Texas Gulf coast.

“...A national recreation area would give our world-class coastal resources a level of national and international exposure that couldn’t be anything but good for business.”

Ann Willis
President, Bolivar Chamber of Commerce

Key Findings
Projected benefits for Brazoria, Chambers, Galveston, and Matagorda counties

- Attract 1,500,000 annual visitors
- Sustain 2% increase in private employment over current levels
- Support $192 million local sales
- 11% more jobs in the tourism industry
- 5,260 local jobs
The proposed Lone Star Coastal National Recreation Area would include voluntary partners in four coastal counties: Matagorda, Brazoria, Galveston, and Chambers. This region boasts significant natural areas, outdoor recreation opportunities, and historical sites. The proposed recreation area would be built around a core of existing sites through coordinated management by various public, private, and nonprofit landowners. Map: Dan Servian, Direwolf Graphics.

What is a National Recreation Area?

- An opportunity to coordinate flood control, visitor services, tourism marketing, and land management among voluntarily participating partners.
- A flexible National Park Service designation that allows for significant local control.
- A Congressionally created unit of the National Park Service that protects a nationally significant land and water recreation area, which may also include historical sites.
Benefits and Opportunities

The upper Texas Gulf coast harbors a patchwork of natural, cultural, and historical sites with largely untapped economic value. A national recreation area could develop this potential more fully, offering a range of benefits to participating sites and local communities.

To identify likely advantages, this study evaluated areas similar to the proposed LSCNRA. These include national recreation areas and other NPS sites, as well as other regional recreation, tourism, and heritage “trails” and areas.

Potential Benefits of National Recreation Area Designation

1) National Park Service visitor appeal. NPS affiliation would put this region on par with the nation’s finest public lands, and offer exposure to large national and international markets.

At seven NPS sites similar to the proposed LSCNRA, visitation grew an average of 565 percent in the first ten years of operation.1

2) A shared identity for tourism development and marketing. Experience in heritage areas and tourism trails suggests this regional focus can expand the size of the “tourist pie.”

One success story: The Crooked Road music heritage trail spans ten Virginia counties. In four years, collaborative marketing led lodging sales in one county to grow 90 percent, and triple in one town. Music events drew five percent more visitors each year, and the region’s share of Virginia tourism grew two percent.2

3) Quality of life for residents. Like other scenic and heritage areas, a national recreation area can help protect what people value most about their communities.

Residents along the Lake Country scenic byway in Minnesota see the byway as contributing to their quality of life. Natural areas, cultural and historical sites, and recreation opportunities are important community attributes they say the byway supports.3

4) Coordination among land managers toward common goals and functions. Programming, facilities construction and maintenance, signage, and resource protection can all benefit from coordination.

At Santa Monica Mountains National Recreation Area in California, operating agreements allow goods and services to move easily between partner agencies to address recreation area needs.

5) Financial leverage and access to funding sources. Collaboration within the national recreation area and the high profile of NPS designation could help attract nonprofit, corporate, federal, and other funds. Some funds are available only to NPS units—such as NPS project funding and the Centennial Challenge, which funded projects in advance of the 2016 NPS 100th anniversary. NPS units are typically supported by strong friends groups that help raise funds, recruit volunteers, and conduct special programs.

Dennis J. Harris
Director, Galveston County Department of Parks and Senior Services

“The coordination and statue of a national recreation area could help Galveston County leverage its resources as we implement our new Parks, Recreation, Open Space and Conservation/Natural Resources Master Plan. This plan focuses on nature-based recreation and open space.

“Participating in a national recreation area could help us attract funding and get some things accomplished at Fort Travis Seashore Historic Park and other nature and historical parks that we have identified as priorities.”
Jeff Pynes
City Manager,
City of Freeport

“A lot of people come to Freeport and this area because of our fantastic outdoor recreation. But while they are here camping, or fishing, or bird-watching, many of them take time to visit our historical sites and museums. We’ve found that nature is an important draw for opening people’s eyes to history.”

6) **Reduced property damage from flooding and storm surge.** A national recreation area could promote long-term, coordinated storm protection. Barrier islands, shoals, marshes, forested wetlands and other coastal features can protect against wind waves and storm surge.

Enhancing the economic value of wetlands and other low-lying coastal areas for recreation makes it more likely these areas will remain undeveloped. The cost savings could be dramatic, both in diminished property damage and in avoided costs of installing massive flood-control structures to replace these natural buffers.

7) **Long-term cost savings for local governments.** Maintaining the region’s working and open lands makes local governments money over time.

American Farmland Trust studies of three Texas counties found that working and open lands generate revenue, while residential development costs local governments money. In these counties, providing services to agricultural lands and open space cost only $0.28 for each dollar of revenue from these lands. On the other hand, serving residential areas cost local governments $1.17 for each dollar of revenue.

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How Does a National Recreation Area Work?

Although designated by Congress, a national recreation area can be governed by a local partnership. The partnership blends local priorities with National Park Service policies, garnering the advantages of both.

- The local governing partnership can include local, state, and federal government agencies, nonprofit organizations, and private landowners.
- A locally-developed charter can govern the national recreation area.
- The National Park Service is likely—although not required—to own land within the national recreation area.
- Participation is voluntary. Land is not condemned. If land is acquired for the national recreation area, it is from willing sellers. Any land-use regulations related to the recreation area would apply only to participating landowners.
- The designation may leverage federal funding and resources. The Park Service can play a coordinating role and contribute expertise in areas such as education, interpretation, science, visitor services, recreation management, and planning.
- Partner organizations contribute in various ways, consistent with their mandates and resources.
- A general management plan for the national recreation area does not override partners’ decision-making authorities. It guides operations and helps coordinate participating agency plans.
Alignment and Cohesion among Partner Agencies
Santa Monica Mountains National Recreation Area

“This is a collaborative park. Each partner agency is a different kind of ‘glue.’ At the start, Park Service contributions were mostly in education, scientific research, and planning. State land conservancies had the most flexibility for land acquisition.

“State Parks provided tested standards for operating parks, especially in the area of public safety and resource protection. We also built programming on education and recreation services that nonprofit and other groups offered before the recreation area started.

“The county helps glue together the national recreation area with land-use planning that supports park resource-protection goals.”

— Woody Smeck, Superintendent

Integrating History and Outdoor Recreation Gateway National Recreation Area

“Gateway includes almost 600 historic structures. We have a huge opportunity to connect people with nature and culture through recreation.

“For example, Gateway has a variety of sports fields that bring people here who otherwise wouldn’t know anything about the national recreation area. The parents watching the Little League game and looking at a beautiful beach or historic lighthouse might later take their kids to walk on that beach or see the lighthouse.

“We’ve recently gotten Little Leaguers involved in our kayaking program. This was a huge success and has gotten people who had no idea what national parks were about interested in what we offer.”

— Linda Canzanelli, Superintendent

Improved Visitor Access Boosts Visitation Boston Harbor Islands National Recreation Area

“Most visitation is to two hub islands of the 34 in our national recreation area. That’s because Georges Island and Spectacle Island have the most developed visitor facilities and we focus our programming there. Since Spectacle Island’s facilities opened to the public in 2006, visitation to the national recreation area overall has nearly doubled. We expect to open a third hub island (Peddocks) next summer, and expect that to produce continued increases in visitors.”

“Only ten of our islands see much public use. Improving access in targeted locations has helped us serve more visitors and still maintain the undeveloped nature of the remainder of the islands.”

— Tom Powers, Boston Harbor Islands Alliance

The Historic Strand District, downtown Galveston. Historical sites and attractions may participate in, and benefit from, the proposed national recreation area.

Photo © Bob Howen.
Economic Impacts—How a national recreation area could Boost Economic Activity

“Residents and visitors share a tremendous interest in nature, and we have that in abundance here in Chambers County. Our annual Gatorfest is a three-day celebration built on the success of bringing alligators back from the brink of extinction.

“The alligator population now outnumbers humans by almost three to one, and provides a great hook to bring in those nature tourists wanting to visit the ‘wild’ of the Texas Coast.”

Sarah Cerrone
General Chairman,
Texas Gatorfest

As with any national park, visitor spending will support the largest share of the economic impact of the proposed Lone Star Coastal National Recreation Area.

Because it would be built on a core of existing natural areas and heritage sites, the LSCNRA would start out with a strong base of visitors in its first year of full staffing and operation. Over the first ten years, as the national recreation area matures, visitation is projected to triple.

Three basic factors account for this increase:

1) The exposure and drawing power associated with the National Park Service.
2) Development of new or expanded recreational sites, visitor facilities, services, and programs.
3) Regional coordination in connecting discreet sites and events into more cohesive offerings for visitors, and of tourism marketing and marketing collaboration.

Increasing visitation, and visitors staying longer in the area, are projected to quadruple the economic impact of the Lone Star Coastal National Recreation Area in its first ten years of operation.

By its tenth year, the national recreation area could support 4,060 new jobs in Brazoria, Chambers, Galveston, and Matagorda counties—in addition to 1,200 jobs projected for its first year of full operation. These additional jobs would represent a two percent increase over the region’s current private employment. Approximately 3,500 of these jobs would be in tourism-related businesses—an eleven percent increase in tourism jobs over current levels.

| Economic Impact of the Proposed Lone Star Coastal Recreation Area Could Quadruple in Ten Years |
|---------------------------------------------------------------|---------------------------------------------------------------|
| **YEAR ONE** of Operation                                      | **YEAR TEN** of Operation                                      |
| Attract 500,000 annual visitors                                | Attract 1,500,000 annual visitors                              |
| Support $46 million local sales                               | Support $192 million local sales                              |
| 1,200 local jobs                                              | 5,260 local jobs                                              |
| $19 million personal income                                   | $69 million personal income                                   |

Growing visitation is expected to quadruple the economic impact of the Lone Star Coastal National Recreation Area in its first ten years of operation.
The proposed Lone Star Coastal National Recreation Area region is replete with opportunities for building, improving, and expanding offerings for visitors interested in nature, cultural heritage, and outdoor recreation activities.

**Visitor centers and nature centers**
Several new nature centers are already on the drawing board in the region. The LSCNRA could coordinate and promote the development of these centers, which might also serve as national recreation area visitor centers.

**Nature lodges**
New eco-lodges, and rebuilt or improved facilities, could provide national-park-quality lodging and activities.

**Expanded recreation access**
Expanded public access to the bay and focused development of recreational facilities could flesh out the LSCNRA’s recreational offerings and help open new areas for public use. Boat launches, boardwalks, hike/bike trails, and driving routes are examples.

**Integrating nature and heritage**
Linking nature experiences with historical sites and interpretation could leverage the region’s rich heritage. The LSCNRA could focus on links between people and nature as a key interpretive theme.

**Developing “high-touch” visitor services**
Local business development and recruitment can help create the personalized, authentic experience many nature and cultural travelers want.

**Thematic itineraries and “trails”**
Thematically promoting recreation and heritage opportunities can encourage visitors to explore more of the region. The LSCNRA could build on existing history, birding, and kayaking trails, and local festivals, as well as promote new themes such as local foods and untold history.
Building on Existing Plans and Efforts

Making it Happen

Doug McLeod
Galveston attorney and former state legislator

“Moody Gardens on Galveston Island gets two million visitors a year in search of ecotourism. A national recreation area could offer an entire range of similar educational and recreational benefits to our four-county region.

“While ensuring long-term natural protection from storms and flood damage, it could also put a spotlight on some of the things we love most about this area—the bay, the birds, our marshes, bayous, great fishing, and beautiful sunsets.

“This designation could also create tremendous economic leverage, translating into more tourists, more jobs, and increased revenues for our business owners.”

By itself, designating a new national recreation area is not likely to lead to the levels of increased visitation and economic impact projected in this study. The Lone Star Coastal National Recreation Area could, however, serve as a vehicle for coordinated and focused development that could turn the upper Texas Gulf coast into a premier outdoor recreation destination.

Expanding an Already-Important Industry

Tourism is already big business here. About one in five jobs across the four counties is related to tourism, with the highest concentration being in Galveston county. Visitation to the Texas Gulf Coast tourism region ranks second among the state’s seven tourism regions.

Nature and cultural tourism are more important here than in Texas as a whole. Nearly one in five Gulf Coast region visitors participate in nature-based recreation, compared to one in ten statewide. In large measure, the difference is due to the region’s ocean and bay coastal areas. Hunting and fishing are more popular among visitors here, and by a slight margin, more Gulf Coast region visitors participate in cultural activities.

Leveraging Existing Plans

Economic development plans in each of the four counties point to nature and heritage tourism as a key part of the region’s economic future.

In 2011, the International Economic Development Council (IEDC) reported on its evaluation of tourism opportunities and challenges in the four-county coastal region. The proposed Lone Star Coastal National Recreation Area could help address some of the challenges the IEDC identified, and catalyze progress toward some of its recommended strategies. These include:

1) Improving way-finding and signage to help unite the region, connect visitors with opportunities, and make remote sites feel more accessible.
2) Strengthening the identity and function of local communities as gateways to the region’s recreational opportunities.
3) Encouraging knowledge of the experiences, services, and sites that are available for visitors throughout the region.
4) Promoting sites, events, and itineraries that cross typical tourism promotion boundaries (e.g. counties or cities).
5) Creating and promoting a regional brand identity.

Making progress on these recommended strategies would contribute to the success of the Lone Star Coastal National Recreation Area, boosting its economic benefits to the region.

Components for Success

A new national recreation area could build on the area’s strengths, and provide a new catalyst for regional collaboration. Interviews with community and business leaders, land managers,
and others in the region suggest that addressing three specific needs could be critical to the success of the national recreation area initiative:

1) Research support for developing a better understanding of tourism in the area, gauging the success of initiatives and the national recreation area over time, and tracking economic impact.

2) Coordinated support for small businesses, and possibly new funding mechanisms to encourage the development of high-quality visitor services and facilities.

3) Mechanisms for regional communication and coordination, and easy access to up-to-date information about the national recreation area and related events, services, and facilities throughout the four counties.

“"We practice collaboration here in Matagorda County to create opportunity for the many. A national recreation area could be a great tool to extend that collaboration beyond our county’s borders to other coastal counties.

“"Communities in all four counties could benefit from tapping into the region’s enormous potential to be recognized as a top-shelf destination for outdoor recreation.””

Nate McDonald
County Judge, Matagorda County

Roseate spoonbill takes off from a marsh. These striking birds are spring-through-fall residents of the upper Texas Gulf Coast. Photo: © Bob Howen.
This economic impact analysis suggests that the proposed Lone Star Coastal National Recreation Area would be a good investment in the region’s long-term prosperity—as well as in its integrity and resilience in the face of the storms that periodically hit the upper Texas Gulf coast.

Creating a new national recreation area will require a collaborative approach that would be echoed in how the national recreation area is managed.

The Designation Process
A member of Congress can propose a candidate for national recreation area designation by introducing legislation to authorize a National Park Service evaluation. Eligibility criteria include:

- Unique natural, cultural, or recreational resources;
- Representation of natural or cultural themes not adequately represented in the National Park System;
- Sufficient size and configuration to ensure long-term resource protection and accommodate public use; and
- Potential for efficient administration at a reasonable cost.

After the NPS finds an area eligible for national recreation area status, Congress passes the designation into law. The authorizing legislation can be crafted with significant local input to match the vision and governing approach worked out in the region prior to designation.

How to Participate
Public support will be indispensable to shaping the proposed national recreation area, and creating the momentum that results in congressional action. Some steps are currently underway, including:

- Establishing a steering committee of public and private leaders to expand the circle of participation and support;
- Identifying local, state, and federal agencies, nonprofits, and private landowners that might support designation and ultimately, participate in the national recreation area;
- Coordinating with local and regional planning processes such as the Houston-Galveston Area Council’s new sustainable communities initiative;
- Continuing the technical and analytical work behind incorporating a national recreation area into a regional approach to flood mitigation; and
- Lining up a regional group of collaborators in tourism marketing, economic development, and business to develop strategies for coordinated marketing and business development.

Significant community involvement will ensure that a Lone Star Coastal National Recreation Area would be managed with local priorities at the forefront—and bring the greatest economic advantages possible for the upper Texas Gulf coast.
End Notes

1 The National Park Service units used for comparison are C&O Canal National Historical Park; Cuyahoga Valley National Park; Delaware Water Gap National Recreation Area; Gateway National Recreation Area; Indiana Dunes National Lakeshore; Padre Island National Seashore; and Santa Monica Mountains National Recreation Area.


4 American Farmland Trust. Cost of Community Services studies for Bandera County (2003), Bexar County (2004), and Hays County (2003).


7 ibid.
