



OUTDOOR RECREATION

INDUSTRY REPORT

2018



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EXECUTIVE SUMMARY

April 2018

LEVERAGING SONOMA COUNTY'S NATURAL BEAUTY

The Sonoma County Economic Development Board (EDB), in partnership with the Outdoor Recreation Business Council, Sonoma County Regional Parks and Sonoma County Tourism is pleased to present the County's first Outdoor Recreation Industry Report.

Over the last decade, the Outdoor Recreation sector has shown robust growth at the national level. According to the Outdoor Industry Association, outdoor recreation generated \$887 billion in direct spending for the U.S. economy in 2017, a 37% increase from its 2012 valuation. In California alone, Outdoor Recreation generated \$92 billion in direct consumer spending, the highest state spending in the nation, producing 691,000 direct jobs and \$6.2 billion in state and local taxes in 2017.

The Outdoor Recreation sector in Sonoma County comprises more than 330 outdoor recreation-related businesses across a broad array of activities, including biking, hiking, golfing, water sports, and equestrian activities, and is home to national outdoor recreation manufacturers such as CamelBak, Marmot, and Yuba Bikes.



74%
of businesses
improved or
maintained sales

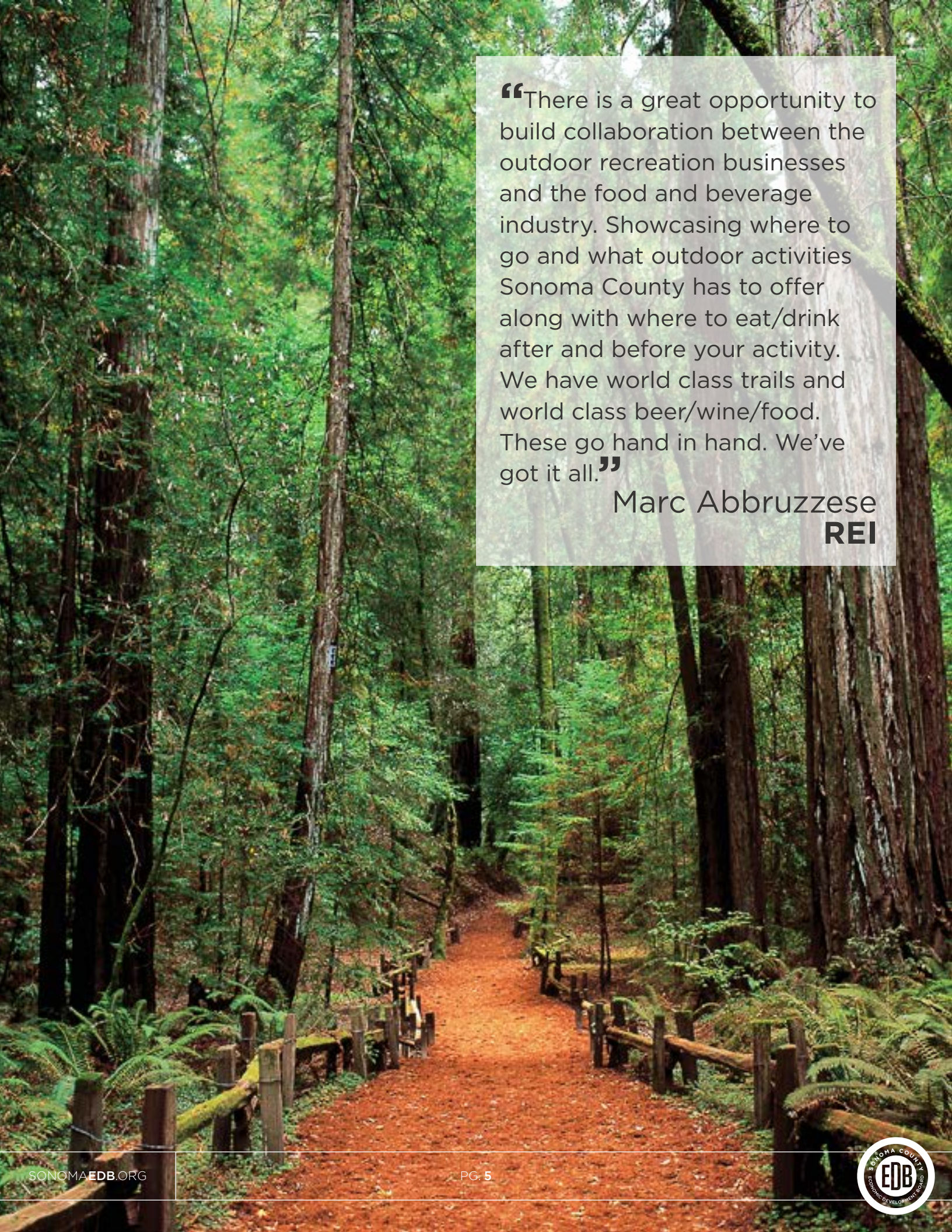


89%
see high potential for
attracting outdoor
enthusiasts



70%
of businesses
optimistic about
upcoming year

While Sonoma County is best known for its internationally-acclaimed food and wine, the natural beauty and pastoral landscapes also draw outdoors enthusiasts to the region. According to the 2017 Sonoma County Tourism Industry Survey, "Scenery" is the top reason for visitors to come to Sonoma County. As its reputation for outdoor recreational pursuits continues to grow, Sonoma County has the opportunity to harness and support the continued health of its tourism industry by fostering its reputation as a premier destination for outdoor tourism. This report will examine the current state of the outdoor recreation industry in Sonoma County and consider future opportunities to grow and support this emerging sector in the years ahead.



“There is a great opportunity to build collaboration between the outdoor recreation businesses and the food and beverage industry. Showcasing where to go and what outdoor activities Sonoma County has to offer along with where to eat/drink after and before your activity. We have world class trails and world class beer/wine/food. These go hand in hand. We’ve got it all.”

Marc Abbruzzese
REI

OUTDOOR RECREATION BY THE NUMBERS

\$731 MILLION

ECONOMIC IMPACT OF OUTDOOR RECREATION IN SONOMA COUNTY

4,530

FULL-TIME EQUIVALENT JOBS

PUBLIC RECREATION

OUTDOOR RECREATION BUSINESS SURVEY

LIFESTYLE & TOURISM

56

Sonoma County Parks and beaches and 11 California State Parks

89%

of businesses rate Sonoma County with high potential to attract outdoor enthusiasts

9th

best county

for outdoor activities in the USA

(NICHE.COM)

35%

increase

in Sonoma County Park visits over the last 5 years

74%

of businesses improved or maintained year-over-year sales

7th

healthiest county

in California

(ROBERT WOOD JOHNSON FOUNDATION)

Over 5 million

Sonoma County Park visits each year

70%

of businesses are optimistic about their business outlook

Sonoma County

5th

most active

region in the USA

(WELL-BEINGINDEX.COM)



INDUSTRY SNAPSHOT

NATIONAL IMPORTANCE

Over the last decade, outdoor recreation has become one of the fastest-growing sectors in the United States. According to the Outdoor Industry Association (OIA), outdoor recreation generated \$887 billion in direct spending for the U.S. economy in 2017, a 37% increase from its 2012 spending and supports 7.6 million jobs in the process. In California alone, Outdoor Recreation generated \$92 billion in direct consumer spending in 2017, the highest spending in the nation, with 691,000 direct jobs and \$6.2 billion in state and local taxes.

Recognizing outdoor recreation’s growing influence in the national economy, the federal government recently authorized outdoor recreation activities to be counted as a unique part of the United States gross domestic product (GDP). This milestone means that starting in 2018, the Bureau of Economic Analysis (BEA) will measure and benchmark the outdoor recreation sector against other well-established industries.

In February 2018, the BEA released its preliminary numbers for outdoor recreation and reports that

outdoor recreation accounts for \$373 billion, or two percent of the entire United States GDP. Moreover, the outdoor recreation sector grew at 3.8% in 2016, outpacing the overall U.S. economy’s growth rate of 2.8% for that year.

Amy Roberts, executive director of Outdoor Industry Association, states, “We are extremely excited that outdoor recreation is now counted as an official U.S. industry and a major contributor to the U.S. economy—this further validates our broad and growing economic impact.”

Most Popular Outdoor Recreation Activities (Percent of U.S. population by participation rate)

Running	18%
Fishing	16%
Biking (Road/Mountain)	15%
Hiking	14%
Camping	14%

Source: 2017 Outdoor Recreation Participation Report, OIA



INDUSTRY SNAPSHOT

OUTDOOR ECONOMY IN SONOMA COUNTY

Sonoma County is well-known as a world-class tourist destination due to its internationally-recognized wine, food and scenic outdoors. The county's \$1.93 billion tourism industry supports 11% of the workforce, and is directly tied to the success of the local economy. The continued health of the county's tourism industry and the local economy relies heavily on its ability to create unique experiences that not only attract new visitors, but encourage them to return. It is also vital for the county to continue to invest in emerging business sectors as the economic recovery continues its momentum.

In the 2017 Sonoma County Tourism Industry Survey, tourism businesses identified outdoor recreation, culinary tourism, and eco-tourism as three promising areas for growth for the county. These results reflect the tourism industry's awareness of the growth potential in the county's array of outdoor recreation offerings. Embracing outdoor recreation businesses and the activities they support is a lucrative opportunity for the county's tourism industry and the local economy.

According to the Outdoor Industry Association, outdoor enthusiasts spend \$92 billion annually on outdoor recreation related activities in California. Other regions, including Utah, Portland, OR, and Bend, OR, have successfully marketed themselves as outdoor destinations and have helped their regions to capture more of the \$887 billion national outdoor recreation economy. The result is a growing outdoor industry that strengthens the regional economy by increasing tourism and creating new jobs. Sonoma County has the opportunity to harness these outdoor recreation dollars to enhance and support our outdoor recreation businesses and activities.



OUTDOOR RECREATION AND TOURISM

MAJOR IMPACT IN SONOMA COUNTY

According to the 2017 Annual Tourism Report, Sonoma County welcomed a record number of tourists in 2016 and is on track to post even larger numbers in 2017. While tourism is on the rise nationally, Sonoma County has distinguished itself from state and competing wine counties with additional visitors. Outdoor recreation pursuits, wellness establishments, craft breweries and farm-to-table restaurants complement the traditional draw of wine tastings, bringing in a greater tourist mix to Sonoma County compared to other wine-growing counties.

KEY FINDINGS

- Retail and hospitality establishments are benefiting from the buoyant Bay Area economy as well as the overall national economy, which has drawn an increase in both day trips and overnight stays.
- Hotel occupancy rates rose for the seventh consecutive year in 2016 reaching an all-time high of 78%.
- Visitor spending is on the rise. Average daily room (ADR) rates rose 20% from 2014-2016, along with an increase in expenditures on food, wine, and activities.
- Businesses have a positive outlook for tourism in the coming year, seeing a high potential for growth in the industry.



OUTDOOR RECREATION AND TOURISM

ATTRACTING VISITORS TO SONOMA COUNTY

The 2017 Annual Tourism Industry Report asked local businesses to rate local assets (excluding wine) between 1 and 5 based on their ability to attract visitors to the region. Scenery, Culinary Offerings, and Outdoor Recreation were ranked as the top three draws in the survey, with outdoor recreation ranking 4.45 out of 5. Taken alone, the high score is an excellent sign of the health of the outdoor recreation sector, particularly as Outdoor Recreation also outscored the thriving Craft Beer, Cider, & Spirits and the Spa/Wellness categories.

As visitors to Sonoma County continue to discover and enjoy outdoor pursuits, such as hiking, biking, camping, and water sports, maintaining the county’s scenic beauty and bucolic landscapes will be integral to visitors’ enjoyment of the County and the overall health of the tourism industry.

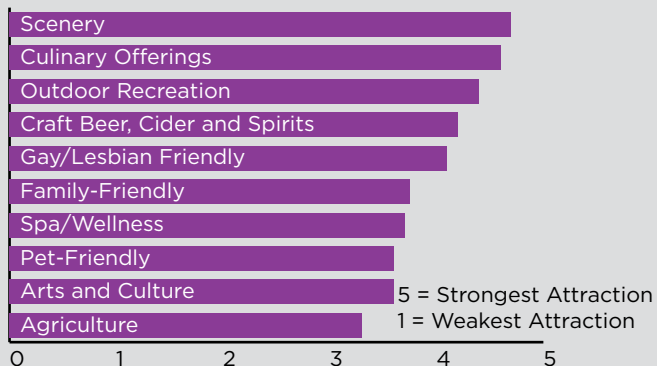
NICHE MARKET OPPORTUNITIES

The 2017 Annual Tourism Report asked tourism-related businesses to indicate what activities might be successful niche market opportunities in Sonoma County.

Three of the ten activities identified as having the most growth potential were outdoor recreation activities. Over 50% of respondents identified Cycling as one of the top market opportunities, ranking it third overall. Hiking was ranked fourth as 48%, and Water Recreation was ranked eighth at 31%. Taken together, these results indicate an increased marketing opportunity for outdoor recreation activities.

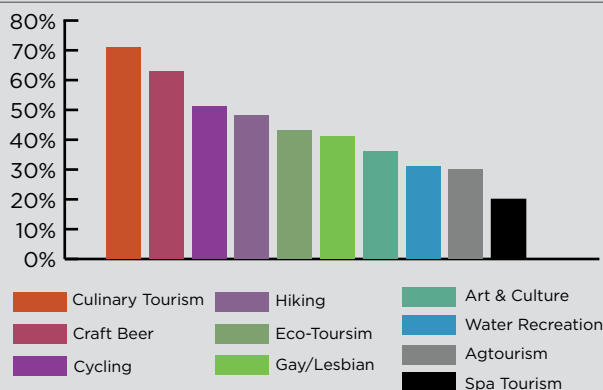
The report also finds that younger cohorts, Millennials (those born 1982 - 2000) and Generation Z (those born after 1995), display similar spending patterns and place a premium on experiences rather than consumer products. As these cohorts grow older, they will likely demand more outdoor recreation activities and experiences when visiting Sonoma County.

Pull Attractions Excluding Wine, Scored 1-5
Sonoma County, 2017



Source: Sonoma County 2017 Annual Tourism Report

Top 10 Rated Niche Market Opportunities
Sonoma County, 2017, Excludes Wine



Source: Sonoma County 2017 Annual Tourism Report

SONOMA COUNTY OUTDOOR ATTRIBUTES

DIVERSITY OF OFFERINGS

Sonoma County's picturesque landscape lends itself to an array of outdoor pursuits. The winding trails of Sonoma County provide miles of scenic beauty for runners, cyclists, and equestrians alike. Biking and trail sports enthusiasts benefit from the many nearby regional and state parks in Sonoma County, including Annadel State Park, which boasts rugged trails while equestrian boarding and training facilities are ensconced throughout the county.

Watersports businesses, including fishing, boating, paddle sports, and surfing, can be found along Sonoma County's rivers, lakes, and 55 miles of pristine coastline of the Pacific Ocean.

Sonoma County's 16 golf courses can accommodate every skill level and are located in some of Sonoma County's most beautiful landscapes. Outdoor retailers give a face to outdoor recreation in the downtown areas of cities and towns throughout the county.

Camping is a popular subsector in the county, with many private, state, and regional parks offering year-round camping facilities. The Russian River is a popular base for summer camping, as tourists often pair their camp stay with other outdoor pursuits as part of their Sonoma County vacation.

Motorized Sports (defined as car, motorcycles, and all-terrain vehicles) has a smaller presence in Sonoma County, most notably through Sonoma Raceway, a year-round motorsport complex and host to several well-established annual racing events.

With Sonoma County known for its scenic beauty, it's no surprise that many local operators have found success in running an array of sightseeing and nature tours, from ballooning and zip-lining to birding and walking tours.

Manufacturing outdoor recreation products is a noteworthy subsector of the outdoor recreation industry, with products designed and produced in Sonoma County being sold throughout the

United States and internationally. Well-known firms such as CamelBak, Marmot, and Yuba Bikes give Sonoma County a national reputation as a hub for outdoor recreation.



SONOMA COUNTY OUTDOOR ATTRIBUTES

ABUNDANT PUBLIC LANDS

Sonoma County has an array of publicly-owned land that is enjoyed for outdoor recreational pursuits. Covering roughly 95,000 acres (8.4% of the county's acreage), these lands allow visitors and residents to appreciate the diversity of landscapes throughout the county, from redwood groves and bucolic valleys to scenic hiking trails and dramatic coastline.

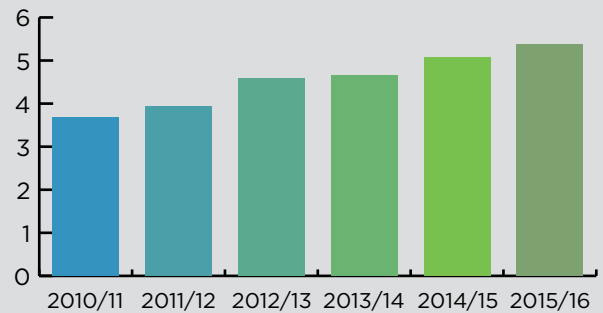
Sonoma County is home to 11 California State parks and 56 Sonoma County Regional Parks. Lake Sonoma, a popular boating, fishing, and equestrian destination, is operated on federal lands. There are also several noteworthy city parks—such as Howarth Park in Santa Rosa and Shollenberger Park in Petaluma—that offer a plethora of outdoor recreation pursuits.

The parks system and the natural beauty are important resources for the outdoor recreation economy in Sonoma County. The Sonoma County Regional Park system alone draws more than 5 million visitors a year, an increase of 35% over the last five years. For 2018, the Regional Park system sold 26,000 annual passes, an increase of 42% since 2012, illustrating the strong demand for access to outdoor recreation pursuits. A recent survey conducted by Sonoma County Regional Parks of its members, found that the three most popular activities when visiting a regional park are:

- Hiking (including walking and trail running)
- Bird Watching
- Dog-friendly activities

The county is a nationally significant site for geographical and biodiversity. Calculating the economic impact of the county's public lands is greater than the sum of its attendance figures. Public lands contribute a real dollar value, beyond the intangible benefits. Fresh air, beautiful landscapes, and unforgettable experiences attract not only tourists, but also new residents coming to settle in Sonoma County, who bring skills vital to a strong economy. With a vast array of public lands, Sonoma County's economy and character are greatly enhanced.

Annual Attendance Estimates to Regional Parks
2010/11 - 2015/16, in millions of visitors



Source: Sonoma County Regional Parks
(<http://parks.sonomacounty.ca.gov/>)

SONOMA COUNTY WILDFIRES

While the devastating wildfires of October 2017 burned several parks in eastern Sonoma County, the vast majority of parkland in the county was not touched by the fires. Parks along the Sonoma Coast, the Russian River, and the county's central corridor were not harmed and are attracting hikers, campers, fishers, birdwatchers, paddlers, and other visitors from throughout the region and state.

Of the Regional parks impacted by the fires, all but one, are fully reopened. Because Sonoma County's parks are all situated in fire-adapted ecosystems, the burned parkland will largely recover on its own. As it does, it will likely attract visitors from around the state who want to see the outstanding wildflower displays found only after wildfires. The landscapes' recovery also presents a unique opportunity for park managers to offer hiking tours and outdoor recreation programming focused on healing and rejuvenation.

An area of economic impact that shouldn't be overlooked is the role parks played in preventing further fire devastation in communities. Parks like Hood Mountain and Shiloh Ranch border city boundaries and gave firefighters the buffer needed to keep flames from reaching surrounding neighborhoods.

IMPACT OF OUTDOOR RECREATION

In May 2017, the Economic Development Board conducted a survey of Sonoma County’s outdoor recreation businesses to gain a better understanding of this sector. A total of 76 outdoor recreation businesses responded to the survey, a response rate of approximately 23%.

INDUSTRY VALUE

The 76 businesses that participated in the 2017 Outdoor Recreation Survey together generate an economic impact of \$249 million in the county. The majority of this stems from \$142 million of direct economic effect, which represents the wages and sales of final goods and services. These businesses also generate \$59 million in indirect economic effect, which refers to the wages and cost of production for those products and services in the intermediary supply chain that ultimately help produce final goods and services. Finally, the surveyed businesses generate \$48 million in induced economic effect, which refers to the unrelated businesses like restaurants, physicians, and grocery stores which are not a part of the supply chain but still depend on the wages of the Outdoor Recreation industry’s workforce. The total tax revenue generated for the state and county is \$7.53 million.

WORKFORCE

The 76 surveyed businesses support 4,530 full time equivalent jobs when scaled up to 333 companies. The top five industries whose employment positively benefits from outdoor recreation are Real Estate, Full-Service Restaurants, Employment Services, Services to Businesses, and Wholesale Trade.

PROJECTIONS

The surveyed businesses produce \$249 million in economic effect, roughly \$92,500 per employee. This generally reflects national data; the OIA measures the national economic impact of outdoor recreation at \$887 billion, or \$117,000 per employee. After removing survey outliers and assuming the remaining 61 surveyed businesses are a fair representation of the outdoor recreation sector, the total economic impact of outdoor recreation in Sonoma County is \$731 million.

ECONOMIC IMPACT TOTAL INDUSTRY PROJECTIONS

\$731 million

Indirect Effect

\$181 million

Induced Effect

\$143 million

Local and State Tax Revenue

\$12.3 million

Direct FTE Outdoor Recreation Jobs

4,530

FTE Jobs Created in Other Industries

2,340

Top Non-Outdoor Recreation Industries Positively Affected by Outdoor Recreation

1. **Real Estate**
2. **Full-Service Restaurants**
3. **Services to Buildings**
4. **Employment Services**
5. **Wholesale Trade**

Methodology

The EDB surveyed 76 Outdoor Recreation businesses, and used the employment data from 61 (excluding 15 outliers) to find the economic impact and jobs data for the entire outdoor recreation industry by scaling up findings to the estimated 333 Outdoor Recreation businesses in Sonoma County. Jobs are measured in Full-Time Equivalent (FTE), the sum of full-time jobs plus part-time hours divided by 40.

Source: EDB 2018 Outdoor Recreation Survey, IMPLAN



BUSINESS SURVEY: BUSINESS PROFILE

BUSINESS ACTIVITY

The graph on this page illustrates the primary business activity of the surveyed businesses. Outdoor Tours/Sightseeing companies comprise the largest percentage of survey respondents at 21.7%, Golfing at 15.1%, and Bicycling and Water Sports, both at 12.3%.

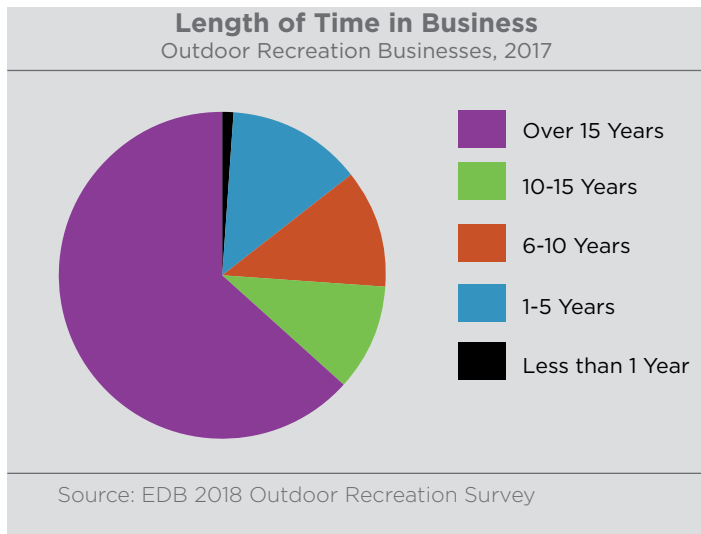
BUSINESS SIZE

Almost 77% of surveyed businesses have 10 or fewer employees. Of the 76 businesses surveyed, the largest employers were those in golfing, making up 42% of full-time, and 23% of part-time workers. This is likely due to the large number of staff required to run a golf course. Motorized Sports employ the largest share of part-time workers at 36%.

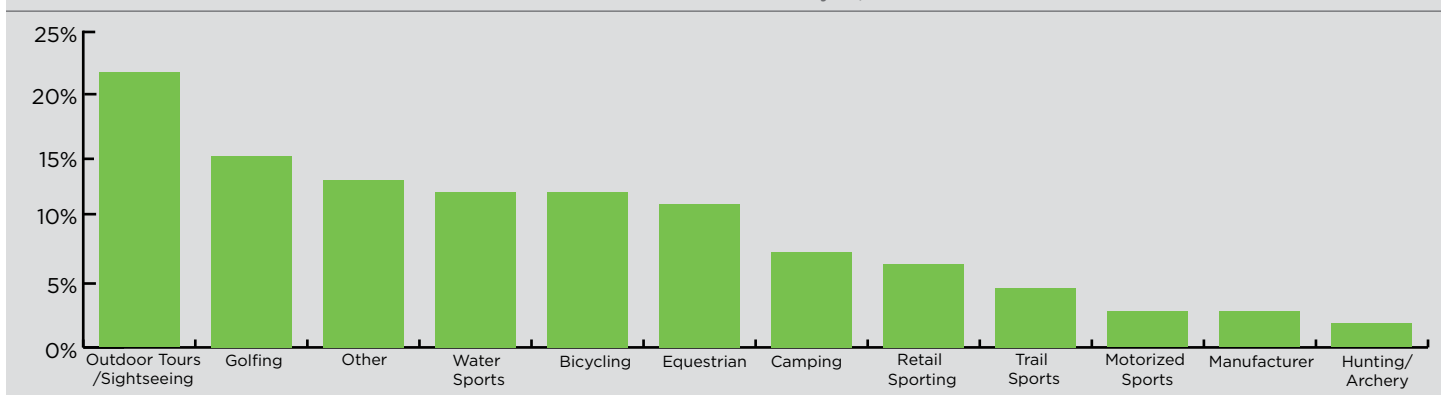
YEARS IN OPERATION

Nearly 74% of businesses have been in operation 10 or more years, a strong sign of the industry’s fit for the county. This suggests businesses have adequate demand for their goods or services to buffer economic volatility or changes in consumer preference (e.g. increased usage of online shopping).

Interestingly, 15% of respondents have been in operation five years or less, which points to an increase in entrepreneurial activity since the end of the recession in 2012.



Outdoor Recreation Businesses by Subsector in Sonoma County
Of the 76 businesses surveyed, 2018



Source: EDB 2018 Outdoor Recreation Survey

BUSINESS SURVEY: BUSINESS OUTLOOK

SALES REVENUE

Outdoor recreation businesses in Sonoma County cover a wide range of activities, from smaller-scale businesses to companies with significantly larger business operations.

- 29% have annual sales over \$1 million
- 20% have annual sales \$500,000 - \$1 million
- 51% have annual sales \$500,000 or less

SALES OPERATIONS

Overall, 74% of businesses maintained or improved sales in 2016 compared to the previous twelve months. 40% of surveyed businesses saw an increase in their sales, while 34% were constant in year-over-year sales. Only one-quarter (26%) of businesses saw a decrease in sales.

FINDING EMPLOYEES

Businesses were split in their ability to find qualified employees, with 62% reporting difficulties and 38% reporting no difficulties.

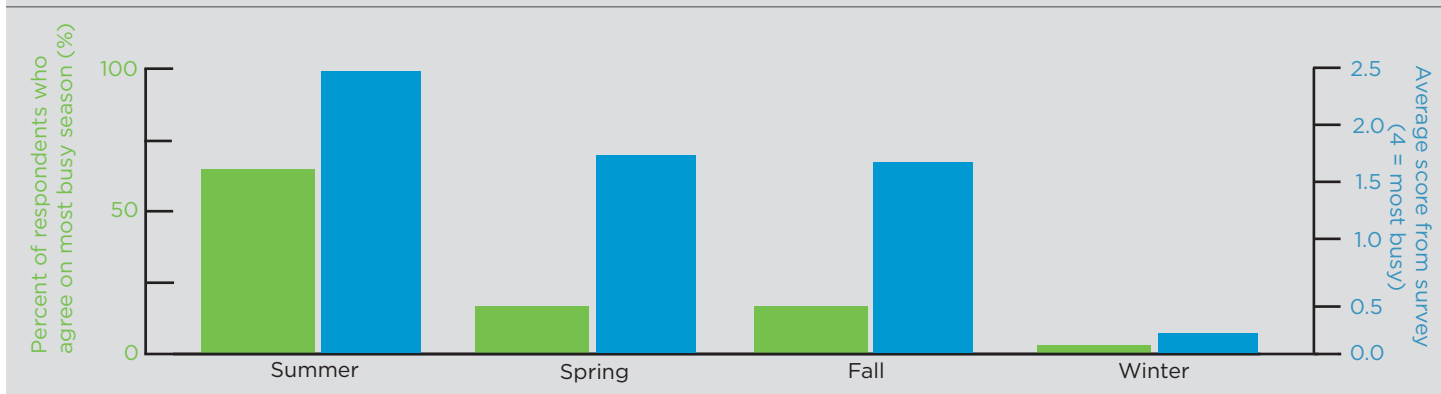
SEASONALITY

As one might expect, 65% of surveyed businesses list Summer as their busiest season. However, Spring (16%) and Fall (16%) had strong showings. Off-peak season offers huge potential for growth in Sonoma County, as only 3% of respondents list Winter as their busiest season.



Busiest Season of Outdoor Recreation Businesses

Of the 76 businesses surveyed, 2018



Source: EDB 2018 Outdoor Recreation Survey

BUSINESS SURVEY: CUSTOMER PROFILE

CUSTOMER BASE

Businesses report that the top consumers of outdoor recreation products and services are people ages 35-54, accounting for 51% of all purchases. This “mid-professional” cohort are higher earners and expected to remain a top spending group throughout the decade.

The second highest group of customers are people ages 55-65+, which accounts for 32% of all purchases.

Finally, the youngest age group (18-34 year olds) accounts for only 17% of current purchases.

BUSINESS SALES

Overall, Sonoma County’s outdoor recreation businesses report a customer base coming from a healthy mix of local residents and visitors (non-Sonoma County residents).

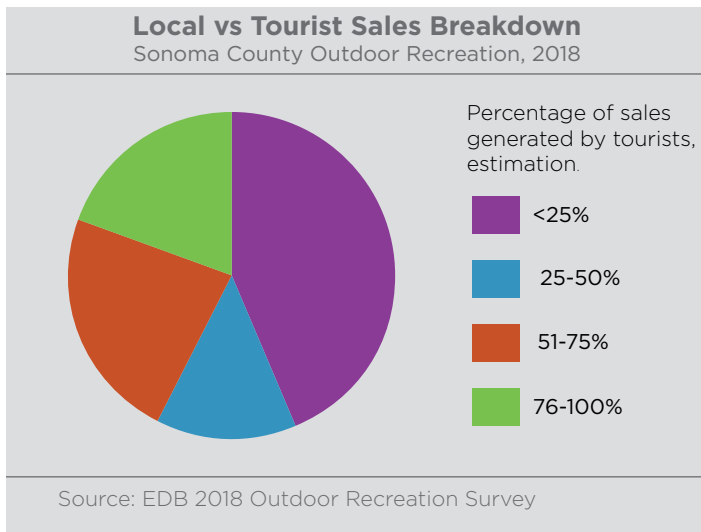
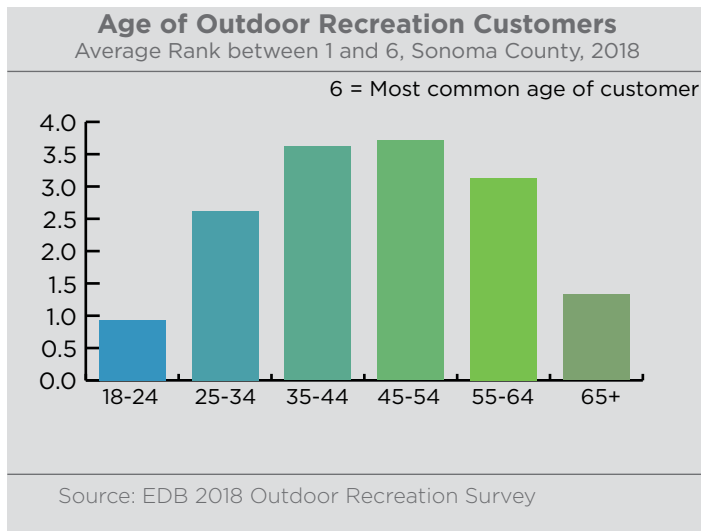
Sales Revenue from Local versus Visitors:

- 58% generate more sales from locals
- 42% generate more sales from visitors

Strong local demand is important for the sector and is larger than tourist spending for outdoor recreation products and services. Of the 58% of businesses reporting more sales from locals, 44% of these estimate that more than three-quarters of their sales come from locals.

At the same time, over 42% of businesses report that the majority of their sales (over half) comes from visitors. Of that, 19% of businesses rely on visitors for more than three-quarters of their annual sales.

Maintaining a balance between local and visitor outdoor recreation spending will contribute to the overall health and continued growth of outdoor recreation businesses.



BUSINESS SURVEY: CHALLENGES

BUSINESS CHALLENGES

The 2017 Sonoma County Outdoor Recreation Survey asked outdoor recreation business owners to rank their biggest challenges from 1 (biggest challenge) to 8 (smallest challenge).

TOP BUSINESS CHALLENGES

1. Seasonality of Business

Seasonality was the top business challenge reported in the survey. Summer remains the high season for outdoor recreation businesses. Winter could provide a growth opportunity for the outdoor recreation sector and lead to innovation during the low season to attract off-peak business. How businesses respond to the “winter gap” for outdoor recreation in Sonoma County may contribute to their success and expansion.

2. Workforce Issues

The survey examined workforce issues and found that 62% of businesses report difficulty in finding qualified employees, a jump of 10% since businesses were last surveyed in 2015. It should be noted that this workforce trend is common across many industries in Sonoma County and is not likely to abate soon. If the industry cannot find a path forward in attracting and retaining talent, its growth may suffer as a result.

For those businesses reporting difficulty finding employees, reasons include:

- Difficulty finding good people who want to work seasonally
- Difficulty finding reliable employees
- Lack of specialized skills and/or expertise for outdoor business needs (bike mechanic, equestrian, etc.)
- Lack of affordable housing

A bright spot on the horizon—38% of businesses reported no difficulty in finding employees. This workforce confidence is considerably stronger than many other industries in the county, which suggests that the outdoor recreation sector may be insulated from other more impacted sectors such as agriculture and hospitality.

3. Marketing/Sales

Respondents point to “increased competition from online services” and “managing the multiple ways that customers contact businesses—by social media, email, website, and telephone” as contributing to the challenges of marketing and increasing their business sales. Others reported changing consumer preferences, such as the “declining popularity of some outdoor activities, such as golf.”



BUSINESS SURVEY: OPPORTUNITIES

ATTRACTING OUTDOOR ENTHUSIASTS

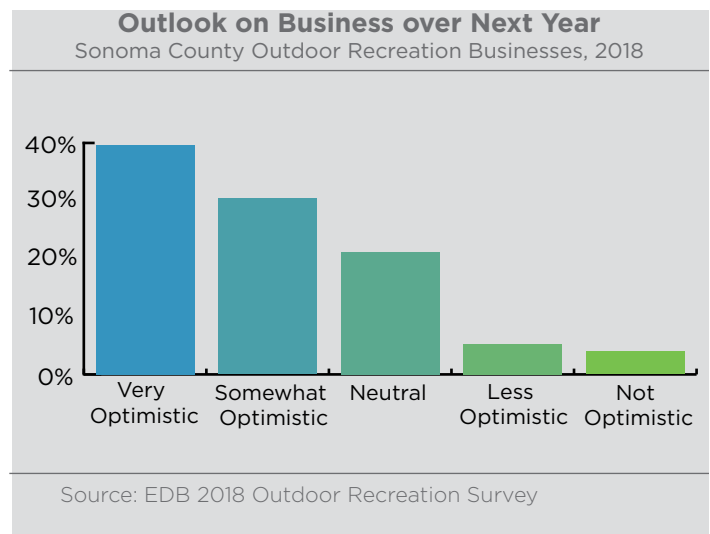
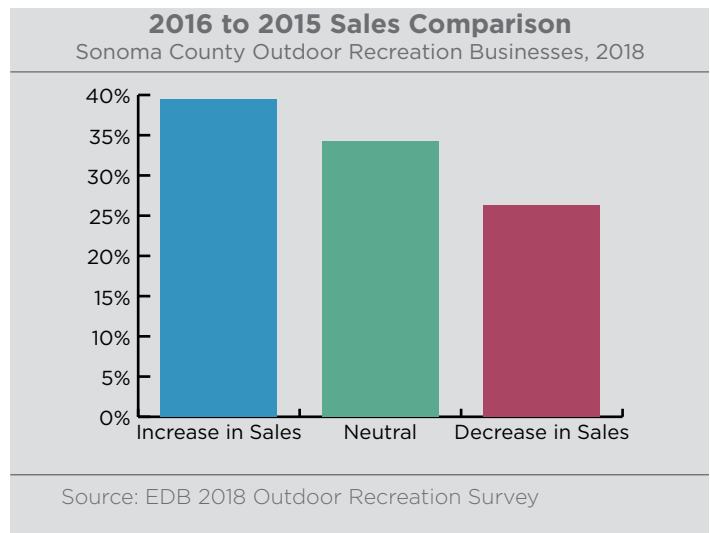
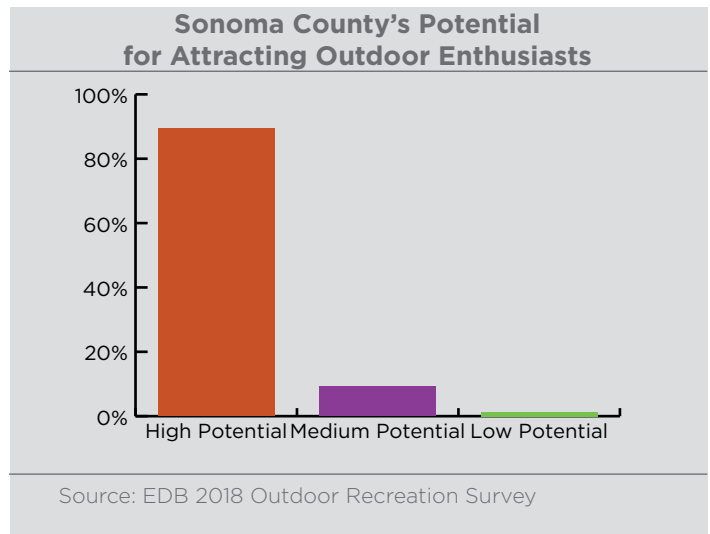
Over 89% of respondents rate Sonoma County as having “high potential” for attracting outdoor recreation enthusiasts, an undeniably positive sign for the industry. With nearly two-thirds (63%) of responding businesses in operation for over 15 years, the optimism from these long-established businesses reflects the current state of the industry and bodes well for the long term health of the outdoor recreation sector.

2016 TO 2015 SALES COMPARISON

Businesses were asked to compare their sales in 2016 with 2015. Overall, 74% of businesses maintained or improved sales over the year. Almost 40% of businesses reported an increase in sales in 2016 compared to the previous year. Approximately 34% maintained the same sales as the previous year. Only one-quarter (26%) saw a decline in sales.

FUTURE OUTLOOK

The final graph supports the positive takeaways from the graphs above. 70% of businesses are optimistic in their business outlook over the next year.



LOOKING AHEAD

INTEGRATING PUBLIC LANDS

Sonoma County Integrated Parks Plan is a planning document outlining future parks and outdoor recreation infrastructure projects envisioned for the county. Sonoma County Regional Parks has identified a proposed 13-mile bicycle and pedestrian trail that would link Santa Rosa and Sonoma, and the wineries, restaurants, and inns between the two cities. The trail will be pursued as public funding becomes available. Similar trail studies are in progress for proposed bicycle trails between Petaluma and Sebastopol and along the Russian River, again with future construction dependent on a funding source.

SMART MULTI-USE PATHWAY CONSTRUCTION

Along with the completion of the Sonoma-Marín Area Rail Transit (SMART) linking Sonoma and Marin counties, progress continues on a multi-use walking and biking pathway that will run parallel to the transit line. When completed in 2021, the 70-mile pathway can be used by outdoor recreation enthusiasts to explore Sonoma County's outdoor offerings.



LOOKING AHEAD

GROWTH OF OUTDOOR ENDURANCE EVENTS

With its varied terrain and scenic back-country roads, Sonoma County has become one of the nation’s leading regions for hosting outdoor endurance events. Some of Sonoma County’s most well-known events include the IRONMAN Santa Rosa, Levi’s Gran Fondo (rated #1 Gran Fondo in the United States), and the Santa Rosa Marathon, as well as an assortment of smaller but equally well-loved sporting events. Collectively, these events bring in millions of dollars in commerce and expenditure for not only outdoor-recreation businesses, but also hospitality and retail businesses throughout the County.

MEASURING ECONOMIC IMPACT: 2017 IRONMAN SANTA ROSA

The Sonoma County EDB recently partnered with the City of Santa Rosa and Chamber to measure the economic impact of one the county’s premier events—IRONMAN Santa Rosa (formerly Vineman).

ATHLETES

- 1,763 athletes participated (71% males and 29% females).
- Athletes came from 29 countries across six continents. The top five participating countries were the U.S. (1,637), Canada (32), Japan (19), the United Kingdom (14), and Mexico (13).

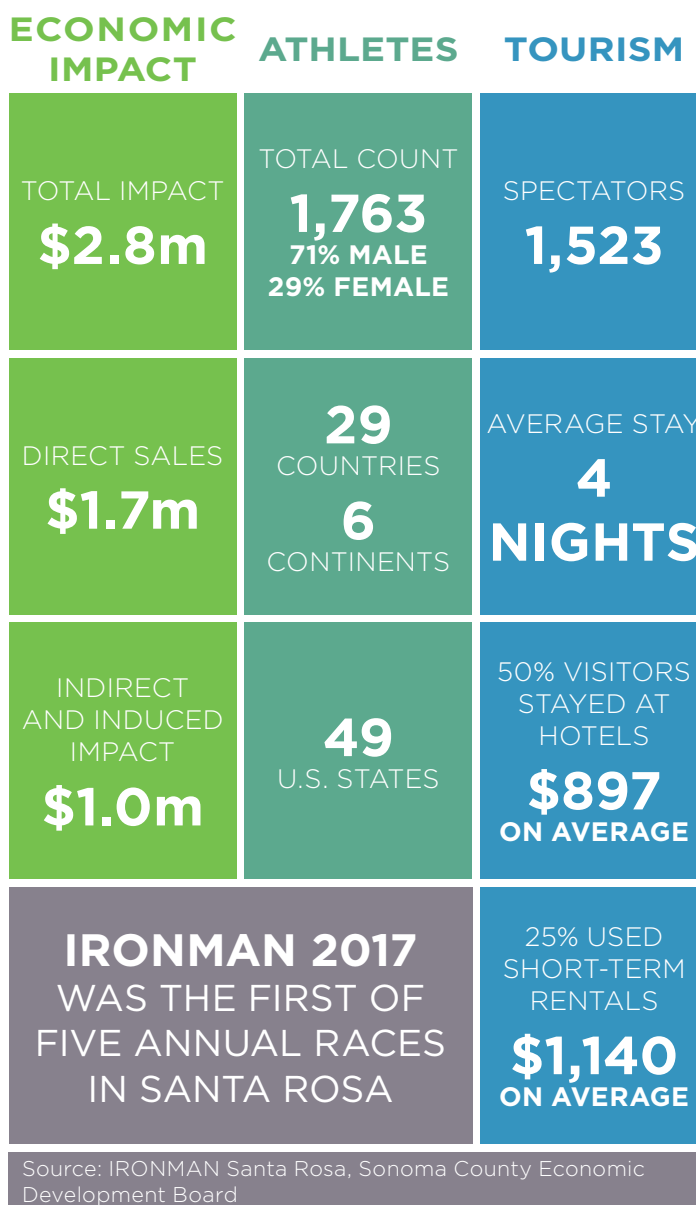
SPECTATORS

In all, the event attracted over 1,500 non-athlete tourists and spectators. These visitors stayed for an average of four nights. Half of visitors stayed at hotels and spent \$897 on average, while a quarter of visitors spent an average of \$1,140 on short-term rentals.

The number of non-athlete tourists attending the IRONMAN indicates a niche market opportunity to create activities and experiences for this group and increase tourist dollars.

ECONOMIC IMPACT

The race generated \$2.8 million of total economic impact for Sonoma County businesses and residents. \$1.7 million of the impact was in direct sales to hotels, restaurants, wineries, bars, retail stores, and other local businesses. This initial direct infusion of funds resulted in \$1.0 million as a consequence of indirect and induced consumption from local grocery, financial services, advertisement, media, and printing companies.



APPENDIX

SONOMA COUNTY OUTDOOR RECREATION BUSINESS COUNCIL

Bill Carson , Chair Windsor & Rooster Run Golf Clubs	Marc Abbruzzese REI	Craig Anderson LandPaths
Skip Brand Healdsburg Running Company	Diana Brennan Sonoma Raceway	Trevor Cherr CamelBak
Rick Herbert Lake Sonoma Resort Area	Randy Johnson Getaway Adventures	Deborah Klein Sonoma Canopy Tours
Carlos Perez Bike Monkey	Lisa Thomas Sonoma County Horse Council	Don Winkle SMT Law

Background of the Outdoor Recreation Business Council

In 2017, the Economic Development Board joined with outdoor recreation businesses to launch the County’s first Outdoor Recreation Business Council to address key issues and emerging opportunities within this emerging sector.

Goals and Objectives

The key aims of the Council are to:

- Create recognition of the importance of the outdoor recreation sector in Sonoma County.
- Support and grow outdoor sector by providing networking and development opportunities.
- Help brand Sonoma County as a premier destination to experience outdoor activities.
- Connect with other businesses within the industry for strength in numbers.
- Develop high-impact initiatives to cultivate the outdoor recreation and hospitality sectors.
- Tackle issues and opportunities related to workforce development, permits, licensing, etc.
- Facilitate the benefits of shared resources and experience.
- Be a valued voice representing one of the fastest-growing sectors in the county.

SOURCES

- Outdoor Industry Association: 2017 National Outdoor Recreation Economy Report, 2017 California Outdoor Recreation Economy Report, and 2017 Outdoor Recreation Participation Report
- Sonoma County Economic Development Board: 2017 Outdoor Recreation Business Survey
- Sonoma County Economic Development Board: 2017 Sonoma County Annual Tourism Report
- Sonoma County Regional Parks
- United States Bureau of Economic Analysis
- United States Census Bureau



METHODOLOGY

The outdoor recreation economic impact number was derived from data collected in the Outdoor Recreation Survey. The survey was conducted from 2017-2018 and asked an array of questions; namely, for data on 2016 employment. Businesses were asked how many full-time and part-time staff they employed over the past year, as well as the estimated average hours per week each of their part-time staff worked. These numbers were used to total the number of “full-time equivalent workers” by calculating the number of 40-hour work weeks which each business employed.

The next step involved IMPLAN modeling. This required each business to be assigned an IMPLAN industry code depending on its subsector. The number of “full-time equivalent workers” and businesses’ respective industry codes were then input into IMPLAN to allow it to analyze the Outdoor Recreation industry’s impact on the Sonoma County economy.

IMPLAN generated results showing the top industries affected, the amount of state and county tax revenue, as well as the direct effect, indirect effect, and induced effect on the county economy. The latter three are summed to give the final economic impact value.

To estimate the total industry value for both jobs and economic impact, the report extrapolated total industry numbers under the assumption that the 76 businesses surveyed were a reasonable representation of the whole industry. There is an approximated 333 Outdoor Recreation businesses, currently in business in Sonoma County. For the extrapolation, the report scaled up its data collected from the 76 respondents to 333 businesses. This report emphasizes that these extrapolations are estimates. Additional survey participation in future years will further refine this number.



METHODOLOGY

OUTDOOR RECREATION ACTIVITY CATEGORIES

This report uses similar categories used by the Outdoor Industry Association in determining the outdoor recreation activities that encompass the outdoor recreation economy. These include:

Bicycling	
Camping	RV, tent or rustic cabin
Fishing	
Golfing*	
Hunting	
Motor Sports**	Motorcycle riding or outdoor car racing
Off-Roading	All terrain vehicles (ATVs), recreational off-highway vehicles (ROVs), dune buggies, four-wheel drive vehicles
Sightseeing/Nature Tours***	
Snow Sports	
Trail Sports	Walking, trail running, hiking, backpacking, climbing, and horseback riding
Water Sports	Canoeing, kayaking, kiteboarding, paddle boarding, power boating, rafting, sailing, and surfing

* The Outdoor Industry Association does not include “golfing” as an activity, but it has been used in the Sonoma County report.

**This report uses “Motor Sports”, which includes motorcycle riding and outdoor car race events. The Outdoor Industry Association activity is “Motorcycle Riding”.

*** This report uses “Sightseeing/Nature Tours”, which includes ballooning, garden tours and wildlife viewing. The Outdoor Industry Association activity is “Wildlife Viewing”.

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Matthew Stokes, and Craig Dermody collaborated on the economic impact analysis.

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Christine Palmer directed the report.

GET INVOLVED

For more information about the Sonoma County Outdoor Recreation Business Council or to learn how to get involved, please contact the Sonoma County Economic Development Board at (707) 565-7170.





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