



NATIONAL FOREST HOMEOWNERS

Dedicated to ensuring continued enjoyment of permitted forest cabins

ECONOMIC AND FOREST STEWARDSHIP IMPACT OF THE USDA FOREST SERVICE RECREATION RESIDENCE PROGRAM

FINAL REPORT

June 1, 2009

Prepared by: NFH Economic Impact Survey Committee

Introduction

The National Forest Homeowners (NFH) believes it is important to be able to demonstrate the value of the Recreation Residence Program to those who might wonder about the role of the cabin program in the 21st century. We know that cabin owners make many valuable contributions to the health and vitality of the forests and nearby communities.

Expenditures by cabin owners and guests benefit not only the federal government, but also local and state governments *and* businesses. The Forest Service does not keep statistics on the economic benefit to communities from the use of cabins on the National Forest. NFH is working to generate estimates of annual contributions that the 'typical' cabin makes in overall real dollars.

The Forest Service has defined objectives in three focus areas: climate change, water and kids in the forest. The NFH survey sought to document the contribution of cabin owners, their families and guests in furthering these goals of the Forest Service.

Method

The NFH Economic Impact Committee contracted with online survey vendor Survey Monkey (www.surveymonkey.com) to host the survey. Survey Monkey provided best practices guidance on writing questions to eliminate bias, provided configuration to thwart survey manipulation and provided basic analytics on the survey responses. The survey was communicated to NFH members via normal NFH communication channels and to non-NFH members through state coordinators. Hardcopy surveys were submitted via mail and then entered to Survey Monkey. Individual survey responses are protected from any third party use by the NFH privacy policy.

Assumptions and Procedures

1. The survey averages reflect 'typical' cabin use and expenditures for a given calendar year (2008). These average cabin numbers were then used to project values across the entire cabin program. It is recognized that any inherent bias of survey data found in average cabin data would also be reflected in the national (total cabin program) results.
2. Establishing the actual total number of cabins at any point in time is difficult and subject to error. Various sources were consulted and the number of cabins clustered around 14,000. Thus 14,000 was used for the purpose of projecting overall and national survey conclusions.
3. Because state response rates and volumes have the potential to introduce bias into the data, all responses were weighted to reflect the response rate from each state. This data weighting eliminated bias present due to large responses from a particular state.

4. This survey is assumed to be a representative and valid sample of all cabins nationally. However, a voluntary survey is a self selecting data collection process. The conclusions arrived at may reflect any bias that is inherent in such a format. Survey respondents (2018) come from 392 different cabin tracts in 71 separate National Forests in 20 states.
5. Response data that was illogical or clearly incorrect was corrected based upon associated response data or was eliminated if no clear correction was indicated.
6. It is likely that permittees with relatively higher 2008 permit fee were more motivated to respond. This would result in an increase in the calculated average fee amount (\$1,313) over the actual average which would be somewhat lower. Bias analysis was performed to demonstrate that this had no impact to the rest of the survey results. There is no correlation between high permit fees and other survey topics such as local economic impact and forest stewardship.

Conclusions

Local Economic Impact

We have defined the local economy as being within 50 miles of the cabin. It is clear from our survey that the impact of the cabin program on local economies is very significant. Expenditures in local economies on food, staples, improvements and repairs, recreational activities, and dining out for the 'typical' cabin are \$6,848 annually. Plus, an additional \$369 per year is given in donations and our volunteer hours contribute \$303 of value to local communities. This totals \$7,520 injected into local economies by the typical cabin. At the national level, the impact of the cabin program on local economies is over \$109 million annually. Surely, the small, rural communities that provide products and services benefit from these expenditures that are a direct result of the cabins.

Governmental Impact

Property taxes, special use fees and where applicable access fees total \$2,390 annually for the typical cabin. This extrapolates to \$34.7 million government fees and taxes nationally. Direct business expenditures for utilities and various insurances costs the 'typical' cabin \$1,598 each year. Extended nationally, this amounts to about \$23.3 million, much of which benefits local businesses and utilities providers.

Forest Stewardship

Cabin owners, their families and guests are actively involved in the forest stewardship activities such as mitigating invasive plant species, picking up and removing litter, recycling, improving water systems, and doing fire fuels reduction. These activities are performed often or every visit to the cabin. Cabin visitors volunteer an estimated 192,975 hours annually (equivalent to \$4.2 million) for trail maintenance, forest restoration, litter pickup, fire and rescue and other services to the forest and its visitors. Over 68% of the typical cabin visits include one or more kids. Forest stewardship is part of the family values nurtured through the cabin program where the average cabin is host to over three generations.

Summary

When considering the future of the Recreation Residence Program, the NFH survey covering the economic impact and forest stewardship associated with the cabins provides especially relevant information. The survey response rate was an impressive 13.8% yielding a high degree of confidence in the results. From 14,000 cabins spread across 25 states, there is an infusion of over \$109 million dollars to the rural economies local to the national forests. Because of these cabins, there are 5.1 million visitor days to the national forests annually. This quotation is typical of cabin families, "Several generations of family and friends are able to experience the National Forest due to our cabin and us sharing. I hope we can continue to do so, for the next several generations. Thank you for all you do to help keep Congress informed of us "little people". We are not rich in money, but rich in family due to a place to gather."



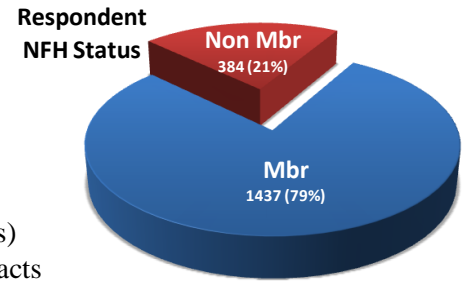
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Summary Data

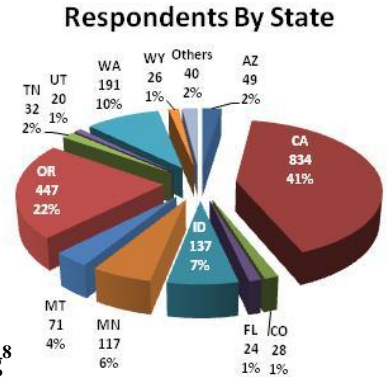
A. Survey Statistics

| | |
|---------------------------------|--|
| Number of Responses | 2018 |
| NFH Members | 79% |
| Non-Members | 21% |
| Number of Cabins | 14,000 (Entire population) |
| National Response Rate | 13.8% (Survey available to all permittees) |
| Response Distribution | 20 states, 71 national forests, 392 cabin tracts |
| Significance Level ¹ | 99% confidence with a 3% margin of error |



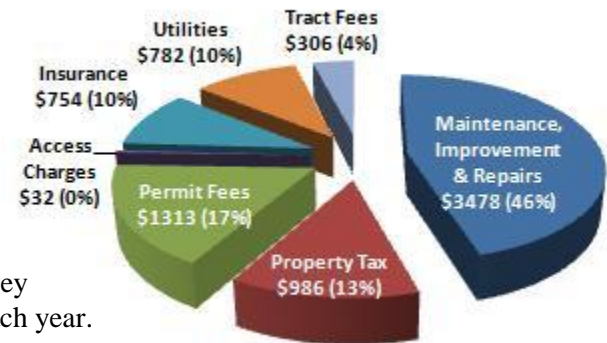
B. Aggregate² Data for Typical Annual Cabin Use

| | |
|--|------------------------------|
| a. Total Cost of Ownership ³ | \$111.2 Million |
| b. Total Government Revenues ⁴ | \$ 33.9 Million |
| c. Total Dollars Spent Locally ⁵ | \$109.1 Million |
| d. Visitor Days ⁶ on National Forests | 5.1 million days |
| e. Permittee ⁷ Income Levels | 66% earn less than \$100,000 |



C. Typical Annual Cost of Ownership per Cabin and Nationally using State Weighting⁸

| | Per Cabin | Nationally |
|----------------------------------|----------------|------------------|
| a. Government Fees & Taxes | \$2,331 | \$ 33.9 M |
| b. Maint, Improvements & Repairs | \$3,478 | \$ 50.5 M |
| c. Insurance (ho, pp) | \$ 754 | \$ 10.9 M |
| d. Utilities | \$ 782 | \$ 11.4 M |
| e. Tract Fees ⁹ | <u>\$ 306</u> | <u>\$ 4.5 M</u> |
| f. TOTAL | \$7,651 | \$111.2 M |



Permit language prohibits year around occupancy of the cabin. Survey respondents typically spend an average of 84.4 days at their cabin each year.

¹ Calculated using Sample Size Calculator provided online by Creative Research Systems

² Assumed 14,000 cabins nationally

³ See Section C below

⁴ Sum of taxes, permit fee and access fees extrapolated to represent entire cabin population

⁵ Within 50 miles of cabin

⁶ Weighted average of people per typical visit for 733,287 visitor days, extrapolated for the entire cabin population

⁷ Used permittee because it is the only consistent value. It is acknowledged that in some cases, household or extended family incomes contribute to the expenses of the cabin. Yet, the legally responsible party is the permittee.

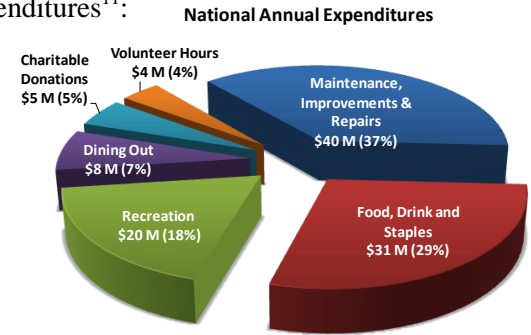
⁸ Calculated state weighting by adapting the regional weighting methodology from Dr. Don English, USFS, 2006.

⁹ Association dues and special assessments to cover tract community needs such as access gates, private roads, water systems, etc.

D. Impact on Local Economies¹⁰

The local economy is within 50 miles of the cabin. Average annual expenditures¹¹:

| | Cabin | Nationally |
|----------------------------------|----------------|------------------|
| a. Maint, Repairs & Improvements | \$ 2,773 | \$ 40.3 M |
| b. Food, Drink & Staples | \$ 2,150 | \$ 31.2 M |
| c. Recreation | \$ 1,390 | \$ 20.2 M |
| d. Dining Out | \$ 535 | \$ 7.8 M |
| e. Charitable Donations | \$ 369 | \$ 5.4 M |
| f. Volunteer Hours ¹² | \$ 303 | \$ 4.2 M |
| g. TOTAL | \$7,520 | \$109.1 M |



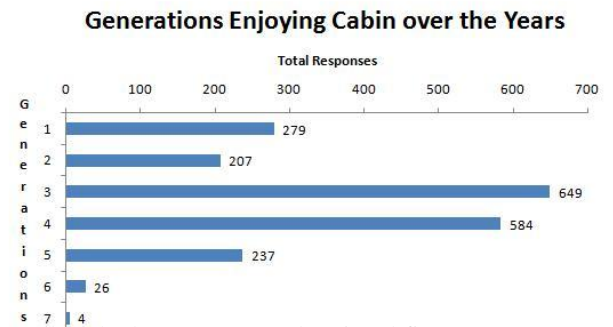
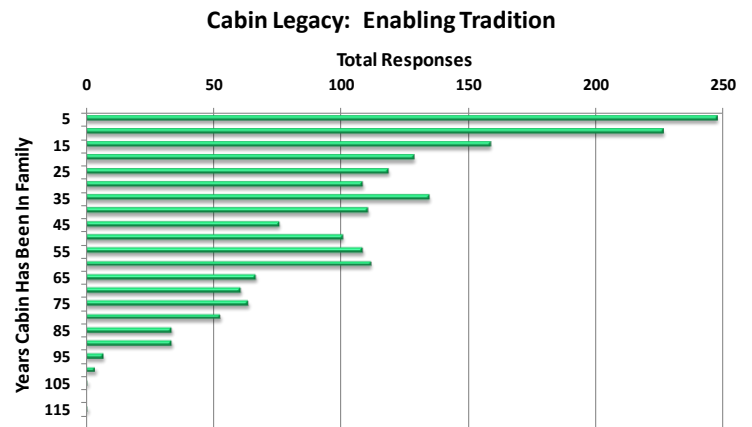
On average, each cabin contributes over \$7,500 annually to the rural economy local to the cabin! This national contribution of over \$109 million is across a spectrum of industries from groceries to construction and leisure.

E. Cabins ARE Family Heritage and Forest Stewardship

- Average Years of Family cabin legacy¹³ 34 years
- Average age of permit holder 61.6 years
- Stewards: Cabin visitors contribute 209,389 volunteer hours annually for \$4.2 million in total volunteer dollar value each year.
- Climate Change and Water Resources over 5.1 million annual visitor days¹⁴:

- ✓ 91% recycle,
- ✓ 86% pickup and remove litter,
- ✓ 74% do fire fuels reduction,
- ✓ 71% of the cabin visitors choose to walk, bike or use public transit,
- ✓ 46% restore natural terrain.
- ✓ 38% improve cabin water systems (e.g. remove diversions, wells, modify drainage),
- ✓ 34% eradicate invasive plant species,

- Kids¹⁵ in the Forest:
 - ✓ Over the years of cabin visits, 76% of the cabins have been enjoyed by 3 or more generations.
 - ✓ A typical cabin hosts kids for 141 visitor days annually.
 - ✓ 51% of the respondents have 2, 3 or 4 kids on a typical visit to the cabin.



¹⁰ Calculated the sum of the percentage spent locally and applied weight by state to calculate average and national figures.

¹¹ Did not include fuel expenses.

¹² 2008 volunteer value \$20.25 per hour from www.independentsector.org/programs/research/volunteer_time.html

¹³ Years cabin has been in family calculated as a straight average from non-blank responses.

¹⁴ Respondents indicated doing these activities often or every visit over a five year period.

¹⁵ Kids were defined as people 18 years or younger.