

CHAPTER VIII – ECONOMIC IMPACT POTENTIAL

CHAPTER VIII Economic Impact Potential

First and foremost, a **connector trail** or multiple trails **from the State Park into the City of Cumberland will create some benefit to the community** but the connector in itself will not make the area a trail destination nor will it make Cumberland a trail town. **A network of trails is needed** to make this happen. Both the State and Tri-City area have recognized this and have many trail initiatives “in the works” that, with the Kingdom Come Connector, has the potential to bring jobs and new venue to the region. And as shown in the study, the proposed Connector Trail is vitally important in linking up these numerous trail systems, allowing for a connection not only from the State Park into Cumberland but also to Benham, Lynch, Partridge, Putney and the City of Whitesburg.

A Comparative Case Study: The Virginia Creeper Trail



Many people have heard of the Virginia Creeper Trail. It is an internationally known 33-mile multi-use rails-to-trails connecting the community of Abingdon to Damascus, a recognized USA trail town in southwest Virginia.

Nearly 300,000 people come to Damascus each year to use the trails with the annual Trail Day event reportedly in one weekend bringing in 25,000 people to a town of less than 900. Due to the popularity of the Creeper Trail and others in the area, the number of businesses has tripled in 9 years. And revenue from business license fees more than doubled increasing from \$22,800 in 2003 to \$52,800 in 2014¹.



Virginia Creeper Trail

Damascus now has 7 bike rentals & shuttle services, 21 lodging facilities, and an RV Park. And within a 2 to 7 mile radius of town, there are an additional 19 lodging facilities and 7 restaurants. Meals and lodging tax revenue for the town has increased nearly 300% in just over 10 years going from \$42,000 in 2001-2002 to over \$112,000 in 2013¹.

REVENUE FROM FOOD & LODGING TAX

2001-02	2003-04	2007-08	2012-13
\$42,000	\$80,000	\$104,150	\$112,510

**Note: There are no chain hotels or restaurants in Damascus. They are all Mom & Pop businesses because the residents want their money to stay in Damascus.*

CHAPTER VIII – ECONOMIC IMPACT POTENTIAL

What is attracting people to Damascus? Damascus has the Virginia Creeper Trail, the Appalachian Trail, the Transcontinental Bike Route, the Iron Mountain Trail, the Crooked Road and the Daniel Boone Trail all coming through their community.

In a 2010 study of the Creeper Trail², over half the businesses surveyed attributed 61% of their business to trail user spending. And of the eight businesses surveyed that collected a meals and/or lodging tax, 79% and 71% of their business respectfully was attributed directly to the Creeper Trail. Meal tax revenue brought in over \$79,000 in 2010 while lodging tax revenue brought in nearly \$18,000. Two businesses that provide more diversification of services such as bike rental, trail outfitting, and restaurant/café services reported making \$250,000 or more and employed numerous people both part-time and full time.

In just one Fall Saturday there were between 2,500 and 3,000 tourists from as far away as Florida and Georgia biking the Virginia Creeper Trail with over 50% of users reporting they visited the Creeper Trail multiple times throughout the year.

How does the Tri-City compare? The Tri-City area of Harlan County has the Little Shepherd Trail, the Pine Mountain Scenic Trail and soon to be Great Eastern Trail traveling right along the Pine Mountain Ridge. Letcher County is building the Tanglewood Downhill Trail that connects Whitesburg to Kingdom Come State Park which, in turn, will connect with the Tri-City area once the proposed connector trail is constructed.

The Tri-City area also offers the Pioneer Horse Trail, the proposed Rails-to-Trails to Benham & Lynch, the proposed Rails-to-Trails Scotia line from Cumberland to Partridge, the connector trail at Putney, and the proposed connector trails down to the Partridge Trailhead at Creekside Glen.

There are also historic walking tours in each of the three communities, the horse trails at Creekside Glen, and the proposed mountain bike trail and existing ATV trails to the top of Black Mountain, highest point in Kentucky.

According to a 2010 report³, the Black Mountain ATV Trails sold over 6,000 general use permits, attracting riders from 31 states and Canada generating \$77,070 in 2009 and \$152,330 in 2010 and creating three full-time positions for maintenance, one full-time position in administration and three part-time position in sales.



Trail to top of Black Mountain

CHAPTER VIII – ECONOMIC IMPACT POTENTIAL

There are over 30 existing or potential trails plus the opportunity for a blue ways down the Poor Fork of the Cumberland. The study area also has a rich coal heritage with two of the most intact coal towns still remaining and offering such attractions as the Kentucky Coal Museum in Benham and historic Portal 31 in Lynch, one of the few remaining exhibition mines still open to the public. Damascus does not have any of this!



Historic Portal 31 Exhibition Mine

By developing the connector trail(s) from Kingdom Come State Park down into Cumberland, and then interconnecting these trails with the numerous existing and potential trails as laid out in the study, that could be interconnected with the proposed Kingdom Come/Cumberland connector trail(s) **to make the Tri-Cities area a “trail town destination”**. As noted in the first

And the potential for considerable economic growth and job creation through the proposed network of trails laid out in this study will provide tremendous opportunities for not just the Tri-Cities area but all of Harlan County as well as Letcher County, making the entire region a **“trail town destination”**. Due to its diversity, the Tri-City area itself has the potential to become the **#1 Trail Town in Kentucky and beyond!**

TRAILS ARE ALREADY HAVING AN IMPACT

Already, the Tri-City area is generating dollars through trail initiatives. Disputing the misnomer that hikers don't spend money in communities, in March 2013, the first thru hikers on the Pine Mountain State Scenic Trail stopped in Harlan to re-supply and stayed two nights at a motel dropping \$275.00 in the County. The next through hiker also spent money on overnight lodging, meals and supplies in the area while hiking the trail in Spring of 2014.



Hikers on the Pine Mountain Trail

In June 2013, a Harley Owners Group tour of Harlan County by motorcycle spent a day in the area, spending \$2,000 on lunch, fuel and a tour of the KY Coal Museum.

In August, the Pine Mountain Trail Conference Master of the Mountains Half Marathon was held attracting 110 runners who spent nearly \$5,000 in the area. An additional \$5,500 was spent in October 2013 by participants in the Black Mountain Madness Bicycle Ride which attracted 35 participants and the Kingdom Come Swappin Meetin' 5K Run that attracted 70 participants. And since 2005, the 16-mile Mountain Masters Trail Run from Putney to Kingdom

CHAPTER VIII – ECONOMIC IMPACT POTENTIAL

Come State Park has brought additional runners to the area each Fall. *A compiled list of trail-related events in or near the Tri-City area is provided at the end of this chapter.*

JOBS BEING CREATED

New entrepreneurial businesses are already opening in anticipation of the proposed trail system. A guest house has opened in Lynch that can sleep up to 14 people in one of the old Coal Camp Mansions once owned by Superintendents of the coal mines and another guest house will be opening soon.



Guest House in Lynch now open for business.

In Lynch, there are plans in the works to convert the old play field into an RV Park. A bathhouse, parking area and full utilities already exist on site. And a city operated campground is in the works just north of Main Street. The area already has water, electricity and an asphalt road since the site was once residential area when the mines were active. A weed eater, signage and a shared bathhouse is all this area needs to open initially with primitive camping. As funds become available, cabins should be added to entice overnight stays by both equestrian and ATV riders.



Conceptual Bath House for proposed campground

Bath House
14' x 16'-7"
(232 Sq. Ft.)

This Bath House designed by Conestoga Log Cabin Company provides two separate rooms for facilities with enough space on each side for toilet, shower, vanity/wash basin plus a 3' covered porch on the exterior. Inside there is also enough room to fit a washer and dryer unit or large storage closet across the back wall.

CHAPTER VIII – ECONOMIC IMPACT POTENTIAL

The old depot in Lynch has been converted into a visitor center/museum and the historic Coal Camp Bathhouse is now being converted into lodging and offices. A historic structure that once housed a restaurant during the coal camp days has now been reopened as the Lamp House Café serving breakfast, lunch and dinner, an assortment of coffees, locally made homemade desserts and bringing high speed internet service to the mountains through free WiFi. The parking area for both the visitor center and café will also serve as the trailhead location for the proposed bike trail system.



Lamp House Café is now open.



Lynch Depot has been converted into a Visitor Center/Museum and the Bath House across the street is being converted into offices and apartments

There are also plans to convert the old Lynch Coal Camp Machine Shop into a water bottling plant which could employ up to 200 people from the area. And there is discussion on reopening the fish hatchery that closed down just a few years ago and to open the area up for trout fishing. The Lynch Coal Camp offices & bathhouse located directly across from the visitor center are currently under renovation to become both offices and lodging.

In Cumberland, work is being done on the River Walk to add more signage and to remove fencing to make the trail more bicycle-friendly and provide better river access. There are also entrepreneurs considering opening a kayak livery service and a stain glass business plans to open soon across from the Tourism/Chamber office downtown who will be offering classes periodically and selling their work in local shops.

The first section of multi-use rails-to-trails is now open in Benham with work underway to connect the trails to both Cumberland and Lynch. Funding has been made available to design preliminary plans for trailhead facilities in Cumberland, Benham and Lynch as well as the proposed campground in Lynch. And there is a committee now actively involved in designing banners and trail markers for the trails so there is a consistent sign plan for the Tri-City area. A few of the local artists are assisting in the design work.



Mural painted by one of the local artists.

CHAPTER VIII – ECONOMIC IMPACT POTENTIAL

And at the proposed trailhead at Partridge, a cantina, a gift shop and a t-shirt printing store have all opened within the past few months creating new jobs in the area. There are also entrepreneurs who have expressed interest in opening a kayak livery service on the Poor Fork of the Cumberland, and a riding stable at Kingdom Come State Park.

Other potential businesses include shuttle services taking people to the top of both Black Mountain and Pine Mountain as well as rock climbing venues, bicycle rentals, bicycle shops, ATV repair shops, a movie theater, additional lodging facilities, stables in Lynch and the reopening of the old tiple as a tourism attraction.

ECONOMIC BENEFITS

According to the Kentucky Tourism Cabinet, the Direct Tourism Expenditures in Harlan County in 2012 was \$21,678,801 with total Tourism Expenditures just over \$34 million⁴. It is anticipated, with the completion of the proposed connector trails laid out in the Kingdom Come Trail Study, along with the designation and increased marketing of the Tri-City area as a Trail Town, these numbers will increase between \$3 to \$5 million dollars, create conservatively 40 new tourism related jobs within three to five years, and an increased number of expansions and diversifications in existing businesses.

In the nineteenth century we built the railroad system and in the twentieth century we built the highway system. In the 21st century we will reconnect America with a network of trails and greenways. My vision is to change the map of American.

—DAVID BURWELL, President,
Rails-to-Trails Conservancy, 2000

OTHER BENEFITS

HEALTH BENEFITS

It has been proven that regular physical activity promotes health by exercising muscles and the cardiovascular system, and improving flexibility. It is thought to improve the functioning of the immune system and halt aging-related deterioration of cognitive function.⁴

Increasing one's physical activity can also reduce the risk of developing several diseases that lead to premature death and disability including obesity, cardiovascular disease, high blood pressure, type 2 diabetes and possibly colon and breast cancer⁵.



According to USA data, the economic benefit to society of getting an inactive person to walk or cycle is between \$5,000 to \$7,000 a year.⁶ The economic benefit to society of getting an active

CHAPTER VIII – ECONOMIC IMPACT POTENTIAL

person to walk or cycle is between \$850 to \$2,550 a year. And for every \$1 of funds spent on recreational trails yield direct medical benefits of \$2.94. The proposed development of the connector trail from Kingdom Come State Park and the rails-to-trails connecting Cumberland to the communities of Benham, Lynch and Partridge will encourage people to exercise. The health benefits of this investment have the potential to be substantial.

TRAILS IMPACT PROPERTY VALUE

Numerous studies have shown trails have a positive impact on property values.

- Seattle’s Burke-Gilman Trail has increased the value of homes near the trail by 6.5%.⁷
- Survey of property values adjacent to greenbelts in Boulder Colorado tend to be 32% higher than the same property 3,200 feet from greenbelt.⁷
- A 2011 study of the Little Miami Scenic Trail in Cincinnati Ohio found that real estate value increased by \$9 every foot closer to the trail.⁸

As the trails are developed in the Tri-City area, it is anticipated property values will increase, general health will improve, and new jobs will be created.



Rails-to-Trail in Vienna, VA

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