

ECONOMIC IMPACT OF RECREATION ON SARATOGA LAKE AND THREATS
TO ITS LONG TERM VITALITY: THE PERSPECTIVE OF LOCAL BUSINESSES

BY

Jon Clarke & Peter Suneson

A SENIOR CAPSTONE PROJECT IN ENVIRONMENTAL STUDIES

Environmental Studies Program
Skidmore College

May 3, 2007

Karen Kellogg
Bob Turner

Senior Project Advisors

ABSTRACT

ECONOMIC IMPACT OF RECREATION ON SARATOGA LAKE AND THREATS
TO ITS LONG TERM VITALITY: THE PERSPECTIVE OF LOCAL BUSINESSES

By

Jon Clarke & Peter Suneson

A great deal of speculation re

ECONOMIC IMPACT OF RECREATION ON SARATOGA LAKE AND THREATS
TO ITS LONG TERM VITALITY: THE P

the lake. Some as long ago as the late 1950's. If policy decisions are made without the consideration of the people that know it best, the proprietors on 9P, the future of recreation and its associated economy, may be compromised. Our research objective is to determine the dollar value of the recreation economy, as well as illuminate the scope of business owner's interests and perceived threats with regard to the drinking water source debate and their predictions for the future of recreation on Saratoga Lake.

Literature Review:


Although there is very little literature about the Saratoga Lake economy, there is an abundance of research and published reports that evaluate the environment, ecotourism, and recreation from an economic perspective. For our research, we looked at *The Upper Mississippi Study* (United States Geological Survey 1990), *The Recreational Economic Value of the Eastern Trinity Alps Wilderness* (Hackett 2000), and *Recreation Evaluation of the Multiple Purpose Reservoir for the East Locust Creek Watershed, MO* (Cartwright). For the *Eastern Trinity Alps* study, the objective was to point out that, from an economic point of view, wilderness areas contain a considerable amount of natural capital. It also observes that if some value generating activity must be passed up in order to fund wilderness area maintenance and management, managers may eventually need to assess the benefits generated by the wilderness area. Thus we are carrying out this study to gain a basic understanding of the benefits and revenues associated with Saratoga Lake.

In *Recreation Evaluation of East Locust Creek Watershed, MO*, the Missouri Department of Natural Resources and Conservation studied the feasibility and demand for creating more outdoor recreation facilities within the state. The study was conducted

under the assumption that recreation generated a significant amount of money in Missouri and that this impact could be magnified by building a reservoir. The departments calculated the participa

and supply in user days, estimates the increased demand and supply from a proposed development, and derives the monetary benefits (Hackett 2000).

The aforementioned methodologies are cited in many similar research papers, however, our interview/business pool was unwilling to participate in formal surveying,

our sample size down to the ones ~~tha~~ 

is marginal. Nevertheless, they are included in this study because their bottom line is impacted by recreation related sales.

Businesses were also identified on a scale of 1-4 based on their dependence on the lake. The numbers were assigned based on the services offered and proximity to the lake. For example, a business which offers fishing tackle and

and even partially obliged as hosts. Most of these businesses have been under the same management/ownership for decades, and their knowledge of the relationship between recreation, the lake, and their business cannot be equaled. Because the nature of their relationship to the lake is quite different than businesses that are more overtly recreation oriented, the direction of our interviews were premised around the history of recreation on the lake, and how observable trends might evolve in the future.

Results and Analysis:

We found 3 major sources of income on the lake to be boating, crew regattas, and bass fishing. The breakdown among these three sources in combination with the employment numbers on the lake should shed some light into the total economic impac

accommodating tourists (plumbers, carpenters, electricians, housekeepers). This was not carried out in our study and should be considered for future studies. The division of the 132 total summertime employees is shown below.

Boating-

Our knowledge of the costs and revenue generated by boating on Saratoga Lake came primarily from interviews and observations made at Point Breeze Marina and Saratoga Boatworks. The sort of information we inquired about included the number of rentable slips on the lake, the rates and fees for boat maintenance, parts, winterizing, cost of gas, respective marina capacity, and estimates of the number of boats on the lake at different points during the season. In order to get this and other data, we asked about most common sales, in demand items, standard procedures, general trends in boating on

re-estimate ce

of bass fishing sales. The remaining 10% is likely used elsewhere (Nick the Fisherman 4-26-07).

For the local fishermen, a few lures, a bag of worms, and a couple of hooks m

we assume that both stores have unremarkable seasons (such as the last 2), lasting from May to September, we calculate that the two stores might gross \$1.3 million between them (\$700,000 and \$600,000 respectively). With the addition of Saratoga Tackle and Archery's reported earnings, this number inflates to \$1.5 million.

Restaurants-

Our most surprising results came from the lake restaurant industry. In years long past, tourists and recreation enthusiasts used to go from lake in the afternoon straight to one of the nearby restaurants. According to Roger Mangino, who established his business in 1959, the impact of recreation has subsided drastically with the development of Saratoga Springs. Today, he says

D

further south on 9P. H

\$7,000 last year, which he considered 'normal'. He also told us that this accounted for between 8-10% of the store's total sales.

From our interview with the owner of Verro's Tavern (Verros 3-27-07) , it was abundantly clear that recreation hardly,

For the marina's, the main great threat to recreation on Saratoga Lake is

limitations on recreation. The most poignant revelation in this data is the lack of positive answers in using Saratoga Lake as a drinking water source and the overwhelming majority of recreation based businesses that are strongly opposed to using Saratoga Lake as a drinking water source.

the future of recreation was the over use of the Lake because it is only 6 miles long and 1.5 miles wide at its widest point.

Concl

assert that the micro-chip plant will be built and consequently, the Hudson River will have to be the future water source. At this point, only tim

Works Cited

Cartwright, Lauren. "Recreation Evaluation of the Multiple Purpose Reservoir for the East Loc