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Market Study and Economic Impact Analysis over the Proposed Kearney Whitewater Parks

Daniel Zavadil, Bree Dority, Ph.D

University of Nebraska at Kearney, Department of Accounting, Finance, and Economics

Abstract

A whitewater park is an the alteration of a streambed to produce whitewater waves and rapids. These parks are becoming a popular development option for communities that have existing natural waterways. The City of Kearney has two waterways that have the suitable hydrology requirements for an operational whitewater park—the market feasibility over these proposed projects has never been investigated which creates the need for this study. Through this research, comparable park economic impact studies and regional market sentiments were analyzed to quantify the relative economic benefits and to identify weather or not a whitewater park would be a suitable development within the City of Kearney. The hypothesis for this study is that if a whitewater park development were to be constructed, the City of Kearney would realize an increase in annual visitors, industry specific sales, property values, fiscal collections, and would lead to an increased quality of life for its citizens. To conduct this research, we divided the study into two main sections including a market study and an economic impact analysis. The market study investigates and reports playboat demographics, survey/interview data, comparable whitewater park studies, and I-80 recreational traffic. The economic impact analysis investigated economic and fiscal impacts generated by quantifying the number of annual participants, identifying relative spending amounts, and assigning spending among five different industries –these different estimates provided the information required to generate an economic impact and to calculate new tax collections (fiscal impact). By examining the above factors, the hypothesis was proven to be accurate, but the relative impacts were less than expected given conservative methodologies used.

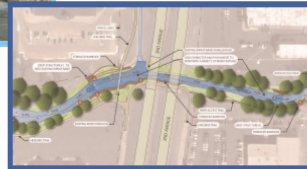
Two river sites were investigated within the City of Kearney.

Attributes	Turkey Creek	Tailrace
Average Seasonal Water Flows	245 cfs	225 cfs
Length of Run	800'	938'
Number of Drop Features	2	4
Estimated Construction Costs	\$650K	\$1.3M

Site 1: Proposed Turkey Creek Whitewater Park (2nd Avenue & Turkey Creek)



(approval has been granted and a majority of funds have been secured)



Site 2: Proposed Tailrace Whitewater Park (University Drive & Canal Crossing through UNK)



(a longer term vision)



Conceptual designs and site study conducted by Scott Shipley with S2O Design & Engineering

Hotels:



In 2019, Kearney had a total of 26 operational hotels generating over \$27.4M in sales revenue yielding \$1.6M in Lodging and Hotel Occupation tax collections. Half of Kearney's hotels are located within a quarter mile radius of the proposed Turkey Creek Whitewater Park which has the potential to attract additional visitors to Kearney's Hotels.

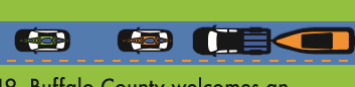
Tailrace Site: (University)



From 2010-2020, UNK and the Board of Regents approved and constructed four new campus facilities including the Village Flats Residential Hall, Discovery Hall, UNMC, and the Early Childhood Education Center costing around \$74 million. An additional \$21 million has been invested in University Village development space which is located .7 miles away from the closest whitewater feature at Tailrace.

Beginning Fall 2021, UNK lowered the out of state tuition rate from \$455 to \$209 per credit hour. UNK has the potential to be the first and only college in the United States to have a whitewater park. Few universities have a river with the suitable hydrology for a whitewater park. This can act as a unique recruitment tool while enhancing the attractiveness of campus.

I-80:



As of 2019, Buffalo County welcomes an average of 22,790 motor vehicles within a 24-hour basis. There has been a 22% increase in I-80 average daily traffic volume since 2009. During a 12 hour Westbound I-80 traffic count, we observed 52 vehicles carrying 68 kayak related boats and 335 RV's. I-80 is a popular route for recreational travelers plus Kearney is well positioned to be an attractive stopping point. Our analyses indicated that I-80 sees a minimum of 7,800 - 9,300 vehicles carrying kayak related boats per summer season from Labor Day to Memorial Day or a 106-day season.

Survey & Local Sentiments:

A survey was distributed through the Kearney Area Chamber of Commerce and 140 individuals participated. 35% of respondents indicated that Turkey Creek would be the optimal site to invest in while the remaining 65% favored the Tailrace Site. Kearney residents who do paddle, participate in an average of 4.2 outings per season and indicated they will utilize the whitewater park on average of 3 times per season.

26 participants provided feedback, 3 comments expressed concern while the remaining 23 were fully supportive.

4,230 individuals follow the Kearney Whitewater Park Facebook page indicating significant support for the proposed whitewater park efforts.

Economic Data

Annual Economic Impact Estimates

Attributes	Turkey Creek	Tailrace
Number of New Jobs Created	13	14
New Labor Income	\$320,000	\$360,000
Visitor Estimates	7,900-11,600	12,700-16,700
Visitor Spending	\$865,000	\$983,000
Economic Impact Generated	\$1M	\$1.12M

Annual Fiscal Impacts

Beneficiary	Turkey Creek	Tailrace
New City & County Tax	\$60,000	\$34,000
New State Tax	\$62,000	\$76,000
New Federal Tax	\$39,000	\$50,000
Sum of New Tax Collections	\$161,000	\$160,000

Comparable Whitewater Park Economic Impacts

City/State	Annual Users	Econ Impact
Golden, CO	14,000	2,200,000
Saratoga, NY	25,000	3,700,000
Kent, OH	40,000	1,700,000
Streamboat Springs, CO	75,000	7,200,000

