



Economic Assessment of the River of Lakes Heritage Corridor

Final Report

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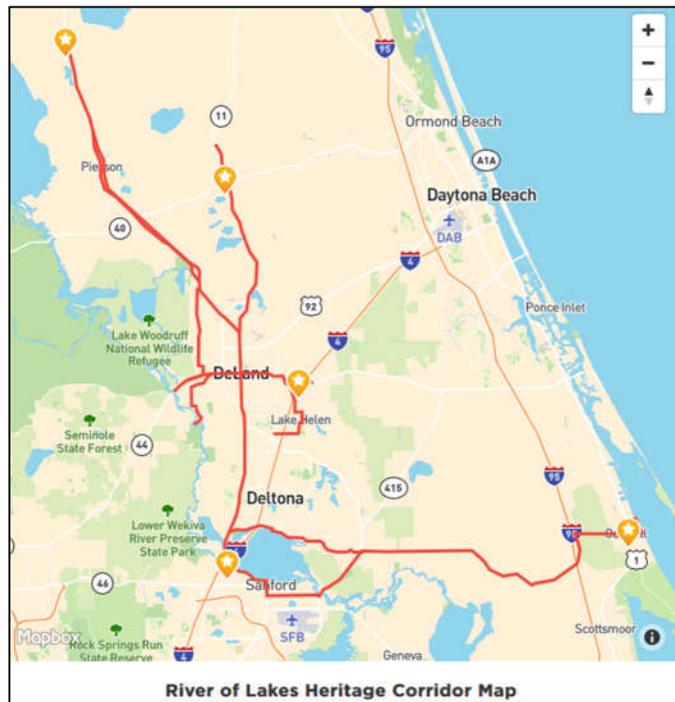


Executive Summary

Numerous scenic highways have been established in the United States since the creation of the National Scenic Byways Program (NSBP) in 1991, initiated under the Intermodal Surface Transportation Efficiency Act (ISTEA). In 1993, legislation was passed to enable the State of Florida, through the Florida Department of Transportation (FDOT), to establish an official program for scenic highways. In 1994, the Department applied for and received a Scenic Byways Grant from the Federal Highway Administration (FHWA) to develop a Florida Scenic Highways Program (FSHP) that was officially rolled out in 1996. The State of Florida has since designated 27 scenic highways, including six that are nationally recognized.

Economic assessments conducted for scenic highways in other states have demonstrated their significant economic contributions to their local communities. In the state of Florida, the first study ever completed to document economic impact was conducted in 2018 (Phase I). That study, the *Economic Assessment of the Scenic Sumter Heritage Byway* (Hodges and Court, 2019) was commissioned by the FDOT District Five. More recently, a study by Concas, Menon, and Asamoah (2020) designed two data collection instruments to assist the Florida Scenic Highway Program (FSHP) in evaluating and quantifying the contribution of scenic highways to Florida's economy and quality of life of Floridians. The study utilized findings from the *Economic Assessment of the Scenic Sumter Heritage Byway*, in part, to estimate the contribution of scenic byways to economic development.

This study (Phase II) was commissioned by the FDOT District Five to assess the economic impacts of the *River of Lakes Heritage Corridor Scenic Highway (ROLHC)* located in Volusia and Seminole Counties. DeLand and Sanford are the principle cities located along the byway. The scenic and historic St. Johns River runs through the byway. This 156-mile byway is less than an hour from Orlando to the west and beach side communities to the east. This byway was chosen for Phase II of this investigation because of the extensive community support and local interest in the cultural, scenic, and recreational resources available throughout the corridor, in addition to the relationships the byway organization has with the local elected officials and volunteer community.

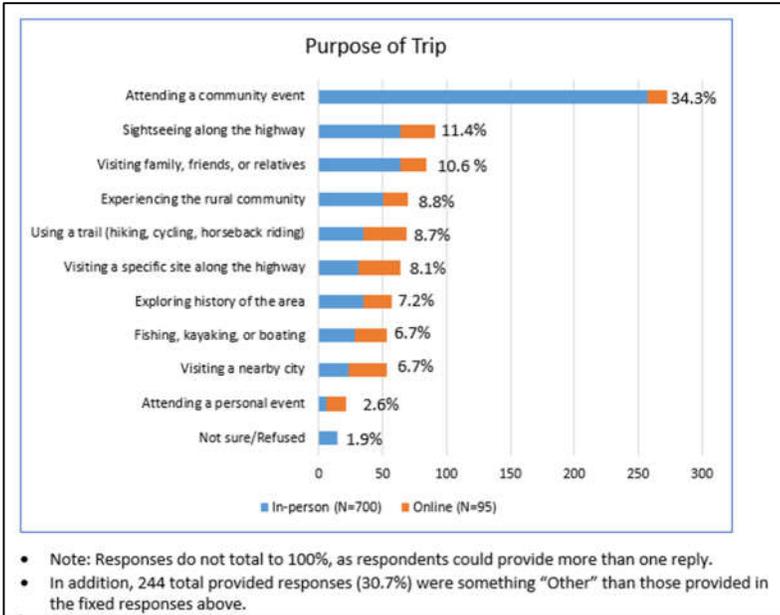


The ROLHC embodies a unique blend of sophisticated contemporary culture, rich historic resources, and gorgeous natural Florida scenery, connecting travelers to the numerous heritage and cultural sites in this historic region. Attractions along the ROLHC include Blue Spring State Park, De Leon Springs State Park, Hontoon Island State Park, the Central Florida Zoo and Botanical Gardens, Barberville Pioneer Settlement, DeBary Hall, Historic

Downtown Sanford & DeLand, the Enterprise Heritage Center & Museum, and the Old Spanish Sugar Mill.

As a “grass-roots” based program, the FDOT requires the establishment of a byway organization

composed of community stakeholders and partners committed to implementing the approved Byway Management Plan (BMP) associated with their scenic byway designation. This BMP identifies the mission, vision, goals and objectives of the organization. The ROLHC byway organization is a community-based group formed to promote awareness and appreciation of the River of Lakes Heritage Corridor and to preserve, promote, and protect the corridor as a regional resource. Participation in this organization is open to all members of the public, including local residents, educators, students, local governments, and members of the



community at large who are interested in protecting and improving the ROLHC, its surrounding lands, communities, natural resources, parks and open spaces.

Currently, there are no dedicated funding sources available through the federal government to support scenic highway programs. The FDOT has identified funding to maintain a basic program; however, additional funding is needed. Assessment of the economic benefits of a FSHP designation is needed to help garner continued private and public support in the face of competing interests for limited funding.

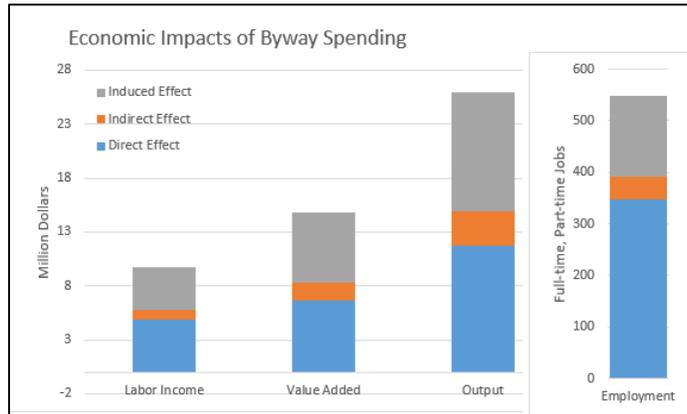
Having said that, introduced in early 2020, the INVEST in America Act (*Investing in a New Vision for the Environment and Surface Transportation in America Act*) is a surface transportation and infrastructure bill that includes funding for the National Scenic Byways Program for the first time in eight years. The bill was approved by the House Transportation and Infrastructure Committee and then the full House of Representatives in July 2020. Now called H.R. 2, the Moving Forward Act has moved to the Senate where a companion bill is being considered. It is hoped that a conference committee will finalize a bill, providing future National Scenic Byways (SB) funding for approval by the President late in 2021. If approved, this Authorization could serve as a future funding source for designated scenic byways across the country.

To help assess the current economic impacts of the ROLHC designation in Volusia/Seminole Counties, a combination of methods involving public surveys, traffic count analysis and regional economic modeling were utilized by the University of Florida research team. Between September 2019 and May 2020, personal interviews, a focus group, an online survey, and field surveys conducted at 10 byway locations, were completed with 795 respondents (700 in-person surveys, 95 online surveys) and more than a dozen local stakeholders.

Results of the survey indicate that 25% of respondents overall (19% of in-person interviews) were aware of the Scenic Byway and 46% (44% of in-person surveys) learned about the Byway from “word of mouth.” Respondents reported engagement in a variety of activities, including sightseeing, bicycle riding, exploring rural and historic areas, and hiking and horseback riding along adjacent trails. About 18% of non-resident respondents said they traveled on the byway for sightseeing or exploring rural or historic sites (they could choose more than one purpose), which are activities explicitly associated with the byway purpose. Respondents visited the area an average of 15.6 times per year, stayed 6 days per trip, and spent an average of \$120 to \$124 per group-day per visit along the byway.

About 96% of respondents were either very or moderately satisfied with the attractiveness of the area, and nearly 84% of respondents indicated that they would be very likely to visit the area again.

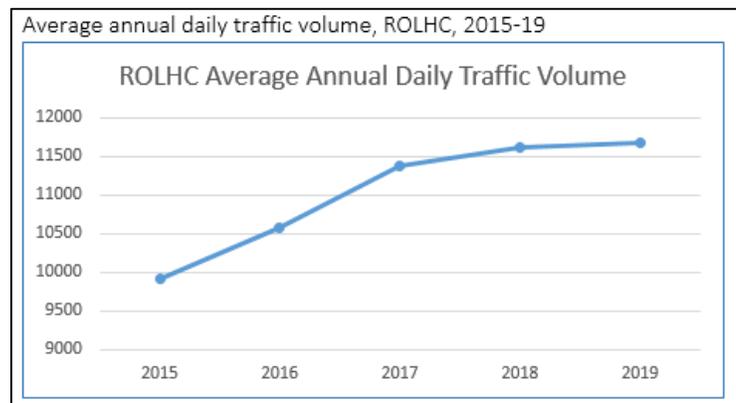
Comments made by respondents confirmed a preference for the quiet, friendly, and historic character of the area, scenic beauty, warm winter weather, and the opportunity to experience natural, less developed areas of Florida. Opportunities to interact with nature were clearly valued by many respondents.



A traffic count analysis evaluated traffic volumes on highway segments comprising the ROLHC. The analysis indicated an increase of 17.7% in average traffic volumes across 57 monitoring locations since 2015. While much of this increase can be attributed to the County’s overall growth it can be assumed that a portion is attributable to the byway. The 2019 average daily traffic volume (11,675) was multiplied against the average spending per day by

nonresident parties (\$123.91), the share of survey respondents who were nonlocal resident visitors from outside Volusia County (47.5%), the share who reported sightseeing or exploring history as their primary trip purpose (17.7%), and the share who were aware of the byway (19.4%) to calculate total annual spending of \$18.17 million as an estimate of final demand attributable to the byway and its partners.

A regional economic model was created for Volusia County¹ for economic impact analysis with the *IMPLAN (Impact Analysis for Planning)* economic impact and social accounting software, and associated county dataset for 2017, to analyze applicable visitor spending across all industry sectors. The total annual economic impacts attributed to the ROLHC



¹ As the vast majority of the ROLHC is within Volusia County, excepting a few miles in Seminole County, the *IMPLAN* model is for Volusia County. For economic analysis results including both Volusia and Seminole counties, please see Appendix E.

were estimated at 548 full-time and part-time jobs, \$9.7 million in labor income, \$14.8 million in value added or Gross Regional Product of the county, and \$26.0 million in industry output or business revenues, including direct, indirect, and induced regional multiplier effects. The largest impacts were in the accommodation and food services, and retail trade sectors. Tax revenue impacts to state and local governments, including sales tax, property tax were \$1.72 million, while federal government tax revenues were \$2.19 million, including payroll and personal income taxes.

Social Return on Investment (SROI) is a concept applied to the passion of volunteers who proudly represent their communities, including volunteer organizations like the River of Lakes Heritage Corridor, which primarily encourage awareness and appreciation of the byway as a regional resource. While SROI does not fit directly into the economic model used for this study, it is a key component of the economic impacts of a byway designation on a community. The social impact of the FSHP is composed of several elements, some of which are measured approximately, while others require the collection of targeted data to generate a more precise value.

The SROI to Volusia County for the ROLHC was calculated using the value-added impact of visitor spending as the “benefit,” and the cumulative expenses to maintain the designation along with the imputed value of byway volunteer time as the “investment.” Based on this calculation, the social return on investment to the ROLHC is very attractive from a public policy standpoint: the net economic benefits of the scenic byway over 10 years were nearly 25 times the cumulative investment; this clearly justifies continued support and investment by federal, state, and local stakeholders.

Although this report does not measure the ROI of transportation projects and their impacts to the community, it is important to note that FDOT, Volusia and Seminole Counties have an abundance of transportation and trail projects planned and underway along the ROLHC corridor. These investments are testaments that the area is growing and is attractive to visitors and residents.

In conclusion, the study results indicate that there is considerable awareness of the ROLHC, that it attracts many visitors to the area who are very satisfied with their experience and likely to visit again, and whose spending contributes significantly to the local economy. Thus, the ROLHC has been successful in its mission to promote tourism, showcase the outstanding natural beauty, recreational and historical resources of the region, and create a unique sense of place that helps bolster the local economy. These qualities provide an enormous value-added contribution to the visitor experience along the scenic byway and surrounding communities.

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