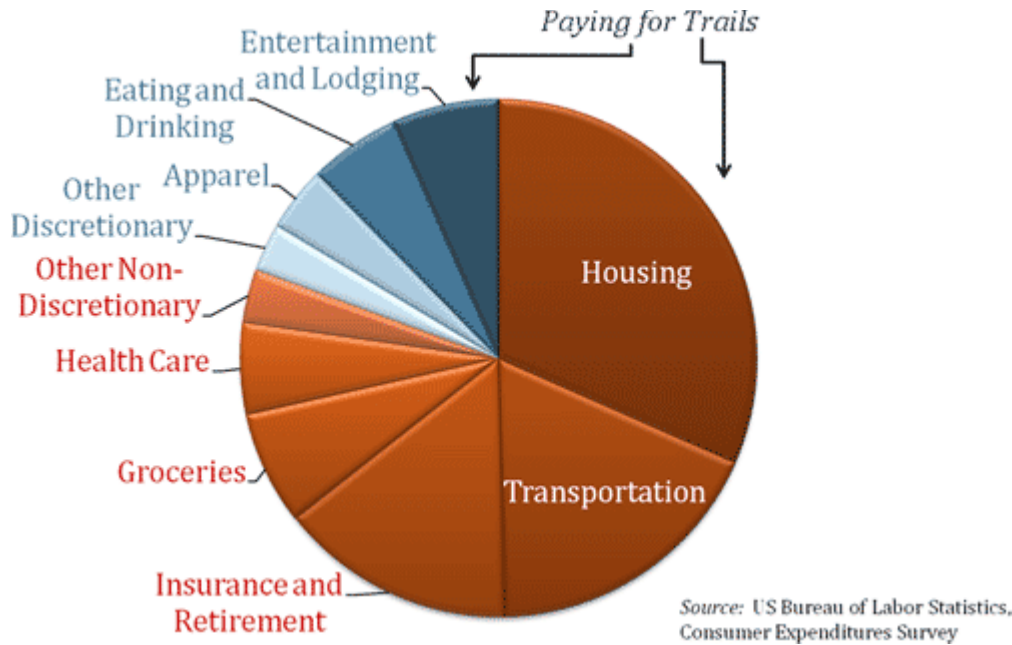


Economic Analysis



From an economic perspective, trails are a form of entertainment that compete for a consumer's time and, potentially, spending power. The private development community is just now recognizing this potential, with a number of prominent studies that have emerged showing that trails are now more highly valued than any other amenity (see [Why Trails](#)).

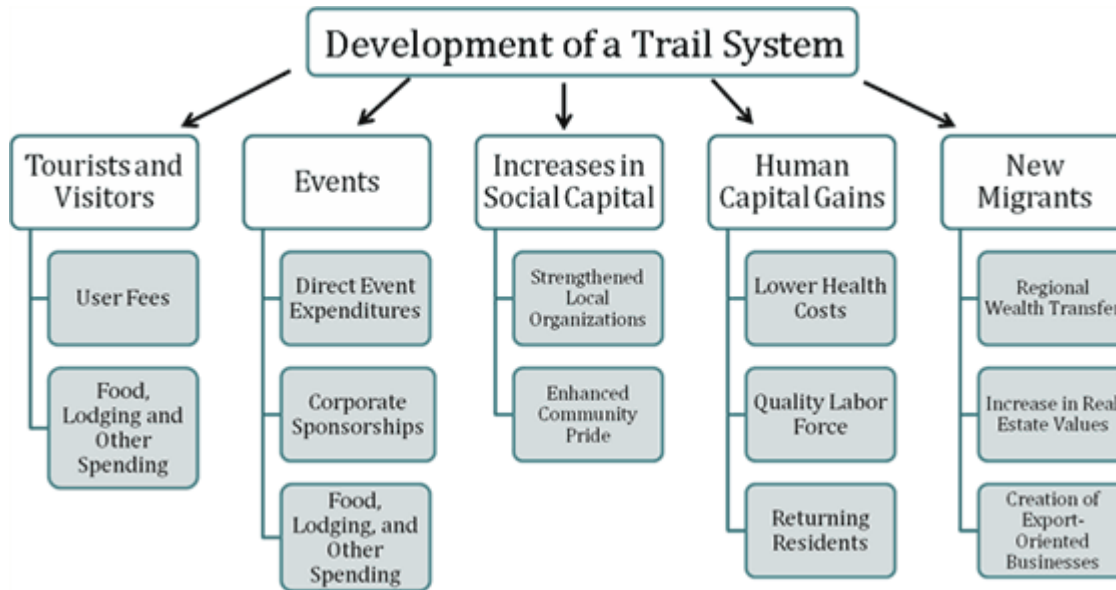
The challenge is finding a means by which these preferences can be "monetized," or turned into actual dollars whether it be for the resort developer, the non-profit trails organization, or the local government budget. As seen below, consumers tend to pay for trails in the form of user fees (out of their entertainment and lodging budget, which are typically discretionary purchases) or, more indirectly, in their rent and mortgage payments (which tend to be nondiscretionary).



Morton Trails can work with trail center operators, developers, resort owners, recreation and planning agencies and others in identifying the best means to work within this structure of the consumer's willingness to pay for trails. Specifically, we can help:

- Undertake market research studies to determine specific demand for trails, user fees, and activities complementary to the trail system.
- Develop pro forma and financial feasibility analyses for trail-based operations including linking residential, hotel, retail, office, recreation, land sale, and other real estate activities as part of an overall cash flow and net present value (NPV) analysis;
- Maximize private and public property values by working at the outset with a land project's master planning firm, architects, engineers, property management, marketing, and other consultants. This is in contrast to a common practice of adding trails after the project has been established which minimizes their financial contribution.

For many communities, trails can also be a central component of a region's economic development strategy. This vision can be conceptualized as follows:



Morton Trails can help agencies, organizations, and other interested parties ensure that their local economy can benefit from each of these components, including:

- Coordinating surveys of users to determine actual trail usage.
- Conducting economic and fiscal impact analyses of trails including the direct and indirect effects on the broader economy.
- Preparing feasibility studies and undertaking presentations to governing agencies, boards, and key decision makers responsible for trail project funding.
- Advising clients on planning for events and special activities that will enhance the value and usage of the trail system.