

Testimony to the House and Senate Appropriations Committees Kelly Ault, Executive Director, Vermont Outdoor Business Alliance February 9, 2021

Support for FY22 State Budget Investments: Vermont Outdoor Recreation Economic Collaborative Community Grants and recreational infrastructure

This letter is to express support by the Vermont Outdoor Business Alliance for the Governor's FY22 recreation economy and infrastructure proposals. Vermont's outdoor sector businesses support the investment of one- times monies, including:

- \$5 million to expand the Vermont Outdoor Recreation Economic Collaborative (VOREC) Community Grant program;
- \$5 million to improve access to state lands and trail networks;
- \$10.6 million in capital improvements of State Park infrastructure;
- \$1 million to build and repair rustic cabins in State Parks; and
- \$1 million to promote and market Vermont.

We believe these investments will shore up infrastructure in communities across the state contributing to healthy lands and waters, active communities, engaged employees, valued companies, and lead to the long-term stability of Vermont's economy.

We've seen the outdoors support our neighbors during the pandemic. Participation has soared from people seeking out mental and physical health benefits. The Green Mountain Club reported that the average daily use count on the Long Trail was up 35% last season and overnight shelter use up 80%.

We know that outdoor recreation is a driver of Vermont's economy.

- Data from the US Bureau of Economic Analysis shows that prior to the pandemic (between 2012 2017,) the sector was growing faster (+15%) than the overall Vermont economy (+3%.)
- Data from 2019 reports that outdoor recreation contributed 5.2% (\$1.8 billion) to Vermont's state GDP, the second highest in the nation, connected to 20,000 jobs. Snow activities, in particular, were only behind CO & UT as the highest contributor at \$287 million.

These highly diversified businesses include global manufacturing leaders, downtown retailers, recreation facilities, media, sales, construction, guiding, and distribution companies. They involve outdoor-reliant companies providing accommodations, travel services, educational programs and government services. They include employers in tech, health care, real estate, and professional services that are attracting talent, relocating businesses, or offering remote workplaces based on quality of life.

Increased participation has buoyed local retailers and manufacturers through the sales of bicycles, paddleboards, camping gear and snowshoes. Others are on more solid footing in 2021 by being open during seasonal cycles and located near recreation, as well as receiving economic relief and bolstering

their e-commerce. However, a lot of hardship and uncertainty remains for others reliant on visitors and groups, such as event companies, lodging, guides, climbing gyms, and small apparel & footwear brands.

Because commerce, participation, and infrastructure are interlinked, the proposed expansion of VOREC grants would provide a critical springboard for emerging outdoor communities that envision themselves as "outdoor recreation – friendly" destinations.

In 2020, VOBA and VOREC profiled nine communities that received VOREC grants through a winter activity and business guide in Vermont Sports Magazine. The VOREC pilot had provided funding to secure new linkages between recreation places and local businesses in downtowns and villages. Through their promotion as outdoor recreation destinations, we were able to:

- Highlight 115 businesses and drive thousands of dollars of direct economic activity.
- Distribute 19,000 copies in 7 states and with 30,000 views online, keep Vermont top of mind for when travel is allowed once again.

Another key outcome to expanding the grants would be the quality of life that access to outdoor recreation affords, anchoring existing businesses, attracting relocating entrepreneurs to establish new businesses and offer remote workplaces. Outdoor recreation is a draw for young professionals and millennials with families, as talent for high quality jobs and careers in the state.

The proposed infrastructure projects would expand Vermont's assets and trail networks on public and private land in ways that are sustainable, improve services, and expand participation by diverse communities, including those of all abilities.

- Good for local, small businesses contracted for construction, furthering our economic recovery.
- Good for non-profit organizations educating users and managing landowner relationships fundamental to accessing many of Vermont's outdoor places.

We believe these investments can help Vermont land on the other side of the pandemic with the values that we cherish intact: healthy lands and waters, thriving communities, a strengthened Vermont brand and diversified economy, and resilient and healthy people, all of which will benefit Vermonters for years to come.

Thank you for your consideration of support.

VOBA is a statewide nonprofit organization dedicated to strengthening, expanding, attracting, and retaining outdoor recreation economy businesses. VOBA's mission is to educate Vermonters about outdoor recreation and support business development in the areas of financing, workforce, infrastructure, and branding.

Our members includes 75 sector businesses that produce, provide, and sell outdoor products, services, and experiences.

www.vermontoutdoorbusinessalliance.org