

Article #: 5

Title: The Value of Lake Erie Beaches (Fact Sheet FS-078)

Authors: Dr. Brent Sohngen, Frank Lichtkoppler, Mary Bielen

Journal: prepared for the Ohio Sea Grant College Program - The Ohio State University

Date: 1999

Pages: 4 p. (11/5 KB)

Abstract:

The objective of this fact sheet created by The Ohio State University is to answer questions like:

- What is the value of a day at a Lake Erie Beach?
- How often do Lake Erie beach visitors travel to the beach?
- How much do people spend when they visit beaches along Lake Erie's shoreline?

This study focuses on two major State Parks in Ohio that offer Lake Erie beaches for recreation: Headlands and Maumee Bay. Surveys were given to visitors of these two state parks to measure beach users' recreational values and attitudes. The fact sheet contains information about the characteristics of Lake Erie beach users, estimates of the non-market value of the recreational use of the beaches, and a summary of visitors from different counties in Ohio.

Based on data collected, two components of economic value were measured. The first, often called "economic impacts," represents the value of dollars spent by visitors on the local economy. In other words, this is the direct effect such tourism dollars have on the economy. For single day visitors to the beach, the economic impact on Maumee Bay was \$6.2 million and on Headlands was \$3.3 million. The other component, called the "value of satisfaction," helps decision makers determine how to use public lands like lakefront property. In order to estimate this value, the travel cost model is used, which is based on the time and transportation costs associated with visiting a beach. This study found that the value of a single day trip to Headlands averages \$15.50 per trip and to Maumee Bay averages \$25.60 per trip. When using the visitors who swim at the beach to estimate the number of single day users, the annual value of single day beach trips to Headlands is \$3.5 million and to Maumee Bay is \$6.1 million.

The two components of economic value are comparatively close using each method, which is expected if these methods are used correctly. These estimates are then used to determine the value of an acre of public beach access. In this study, the total value of Maumee Bay is calculated to be \$87 million and for Headlands is \$50 million. When dividing this among the 15.8 acres of beach in Maumee Bay, the value per acre is \$5.5 million. For Headlands and is 21.5 acres of beach, the value is \$2.3 million per acre. Local private property values ranged from \$24,000 to \$29,000 per acre, so this study shows that the value of the land as a public recreational site is clearly higher than as private property.