

Introduction:

The economic claims of ATV proponents have gone largely unexamined. While data supports the argument that ATV traffic harms the real estate and broader outdoor recreational economy, there is no demonstrable proof that supposed benefits actually exist. Communities that have embraced ATV tourism lag behind neighbors that have chosen alternative paths. Notably the focus on interconnected riding areas, e.g. "Ride the Wilds" maximizes the negative impacts of ATVing by bringing the activity into close proximity and conflict with residents and other outdoor recreation pursuits, whose total economic impact far outweighs that of ATVs.

This is not an argument against ATVing having some place in NH's recreational economy. Rather, it is an assessment that the current approach has been haphazard, the opportunity overhyped, and that the current approach may in fact be doing more harm than good as it undermines the much larger economic opportunity to be had in non-motorized recreation, particularly in the North Country.

The current emphasis on OHRV trails may be doing more harm than good, particularly in the North Country, as this approach undermines the larger economic opportunities to be found in the diverse, traditional non-motorized recreation activities. The development of Ride the Wilds has been haphazard, the economic opportunity overhyped and the impact on residential quality of life ignored. This is not to say that OHRVs don't have some place in NH's recreational economy, but that it needs to be more carefully managed.

Tax data (Meals and Rentals):

The Meals and Rentals tax receipts for Coos County have grown unevenly at an average rate of 6.1%, from 2012 to 2018. The highest M&R growth year in the current decade was actually 13.59% in 2010, before Ride the Wilds began. Inexplicably, ATV boosters in New Hampshire continually claim that M&R tax receipts in Coos County have increased 34.39% *annually* since the interconnected Ride the Wilds system opened even though this claim is demonstrably false.

The *total* growth in M&R taxes in Coos County from 2012 to 2018 was 36.5%, vs. 47% in nearby Grafton County, which has embraced non-motorized recreation instead of ATVs.¹

As another point of comparison, Appalachian Mountain Club huts' M&R tax receipts in Coos County grew 6.3% from 2012 through 2017, the most recent year available.² This rate is slightly faster than the county as a whole, and demonstrates that Ride the Wilds is hardly the sole contributor. In fact, as will be addressed below, ATV recreation can drive other users away, so the ATV presence might actually be depressing overall tax receipts (below potential).

¹ NH Dept. of Strategic Initiatives

² AMC data

A recent New Hampshire Fiscal Policy Institute study shows that since Ride the Wilds began, total jobs in Coos County have declined in absolute terms. Coos has been the only county to see a protracted and meaningful decline.³

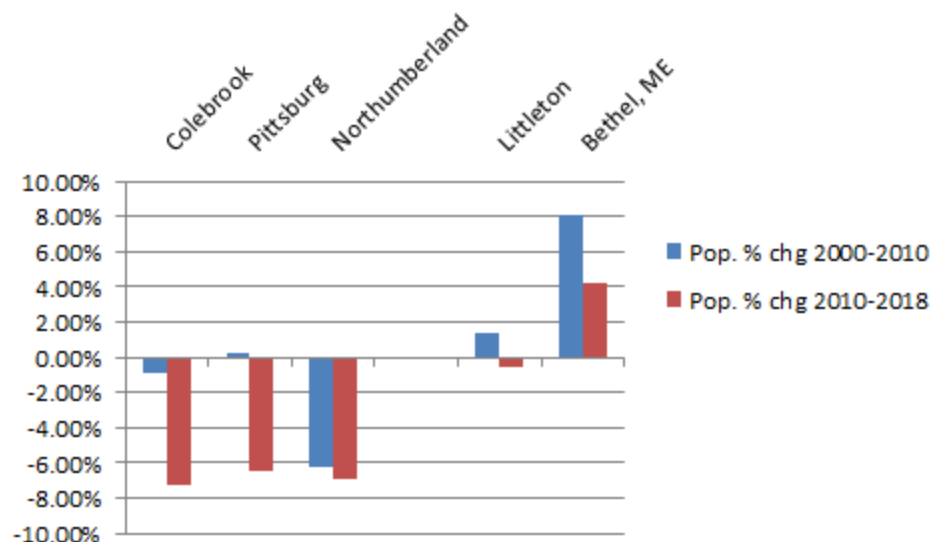
Many businesses will tell you off the record that ATVs do nothing or even chase away their hard built customer base. One restaurant in Gorham regularly sees their business declines on busy ATV weekends, as the ATV presence drives everyone else away. Meanwhile, in Berlin, the epicenter of ATVing in the state, seven years after the beginning of Ride the Wilds, there is still no operational hotel in the city. It begs the question why ATVing has failed to spur this most basic component of economic growth in the ATVing mecca of New Hampshire. Instead, ATVs ride on roads through nearby Gorham, disrupting and undermining a growing economy focused on non-motorized recreation, primarily hiking and biking. Meanwhile, the one new recent hotel in Coos county is the Glen House at the Base of Mt. Washington, which caters to the traditional non-motorized tourist.

Population Impacts:

Anecdotally, we know that ATV traffic on roads, “connector trails,” drives people away. In Pittsburg, Northumberland, Gorham and Stewartstown there are numerous cases of long-time residents leaving to escape ATV noise and pollution.

A numerical analysis of the towns hardest hit by ATV tourism since Ride the Wilds was launched in 2012 shows an accelerating depopulation. Population trends from 2010 to 2018 are actually worse than the prior decade, which included the Great Recession. Colebrook, Pittsburg, and Northumberland all show population declines of 6% to 7% over the period, or roughly 1% per year. Population

trends in Colebrook and Pittsburg had been stable in the prior decade, while Northumberland (Groveton) had seen a paper mill closure in 2007. Berlin’s data would be helpful, but it is difficult to draw out the impact of the



³ <http://indepthnh.org/2019/08/30/nhfpj-analysis-many-granite-staters-face-difficult-economic-realities/>

prison population, which provided a boost in 2014. Since then the Berlin population has been in steady decline similar to that seen in the other towns that have embraced ATViing as an economic salve. An interesting counterpoint is Littleton, in Grafton County. Also a North Country town, it has embraced non-motorized recreation like hiking, back-country skiing, and mountain biking. Its population has been roughly stable from 2010 to 2018. Other nearby towns such as Bethel, ME, that have embraced non-motorized recreation instead of ATViing have seen similarly better outcomes.⁴ The contrast is striking, but makes sense when one considers that these non-motorized markets are much larger opportunities. In short, ATViing has done nothing to alleviate population flow from upper Coos County, and in fact may be making the situation worse, which we will examine shortly.

The precipitous declines in population for the ATV towns does not speak to a strong economic driver, particularly after seven years of concerted industry funded marketing, legal support (defending BOT from lawsuits as courts recognize OHRV trails in residential settings as a legally actionable “nuisance”), taxpayer financed subsidies (increased pressure on local, county and state law enforcement agencies), and local boosterism. The contrast with communities like Littleton that have chosen a different path is stark.

Case Study: Gorham Real Estate Impacts:

A study in Gorham along a road opened to ATVs showed homes along this road sold for 12% less than similar homes with no ATV exposure. Moreover, real estate agents admitted that they showed homes along ATV roads primarily to ATV enthusiasts, because the road-trail was an issue and a “nuisance factor”.⁵ This corresponds closely with the experience in other towns where long-time residents have been leaving ATV roads, to be replaced by rentals, seasonal homeowners, or simply vacants.

This clearly dispels the notion that opening roads to ATVs improves saleability. Instead, such roads see sales mainly to ATVers, because no one else wants them, with the ATV presence effectively being a blight.

Recreational Economy Impacts:

The economic story of ATViing in New Hampshire isn’t just one of unmet promises. The Bureau of Tails, and current law, allows ATVs to travel virtually everywhere in upper Coos County. There are miles of roads and rail trails open to ATVs, in addition to logging roads, and purpose-built trails. Traffic, particularly on town and state roads, doesn’t just drive away residents. It also drives away other recreational users. Complaints are increasingly common from other user groups like hikers, fisherman, bikers, and hunters, that ATVs have become a nuisance and have degraded the North Country experience for everyone else.

⁴ US Census Data. census.gov

⁵ Gorham Real Estate Diminution Report and Deposition

Such anecdotal claims are supported by empirical studies and data gathered elsewhere. A study by the state of Wisconsin on one of its multi-use trails demonstrated that ATVing was the single most antagonistic activity to other user groups. The effect is that ATVing drives all of these other users away. There are real economic costs to the pervasiveness of ATVing in the North Country, and anywhere in New Hampshire, as will become clear in the next section.⁶

Table 1. Average land-based recreational activity compatibility ratings.

PRIMARY USE ^a	Interacting use ^a										
	ATV riding	Hunting	Snowmobiling	Horseback riding	Mountain biking	Cross-country skiing	Linear trail biking	Hiking	Wildlife watching	Camping	Average compatibility
ATV riding	X	5.3	6.5	5.1	5.5	4.9	5.5	6.1	6.9	7.5	6.0
Hunting	3.3	X	3.7	4.7	4.3	5.3	5.7	5.4	6.0	6.3	5.0
Snowmobiling	4.3	4.0	X	4.0	4.8	4.3	5.8	5.3	6.3	7.2	5.1
Horseback riding	2.2	3.5	3.0	X	3.8	4.9	4.5	6.3	7.3	7.7	4.8
Mountain biking	3.1	3.6	4.7	4.8	X	5.7	8.1	6.1	7.4	8.0	5.7
Cross-country skiing	1.8	3.6	2.6	3.3	4.2	X	5.6	4.9	8.1	8.5	4.7
Linear trail biking	2.6	3.9	5.5	5.3	8.2	7.1	X	7.4	8.0	8.7	6.3
Hiking	2.4	3.5	3.5	5.7	4.7	6.1	6.5	X	8.9	9.2	5.6
Wildlife watching	2.2	3.2	2.9	6.4	5.2	7.6	6.8	8.6	X	8.3	5.7
Camping	3.9	4.1	5.0	7.5	7.8	8.2	8.2	8.9	8.5	X	6.9
Average compatibility	2.9	3.9	4.2	5.2	5.4	6.0	6.3	6.6	7.5	7.9	

highly competitive or antagonistic (below 4.0)

moderately to mildly competitive (4.0–7.0)

supplementary or complementary (7.0 and above)

Source: WDNR 2006, 4–6.

^aCompatibility ratings reflect the perceived level of conflict from the perspective of trail users participating in the activities in the left column—the primary use. Ratings should therefore be read horizontally. Results are based on responses from 23 Wisconsin recreation professionals.

There can be a place for ATVing, but it is demonstrably incompatible with most other forms of recreation (let alone residences).

Opportunity Cost:

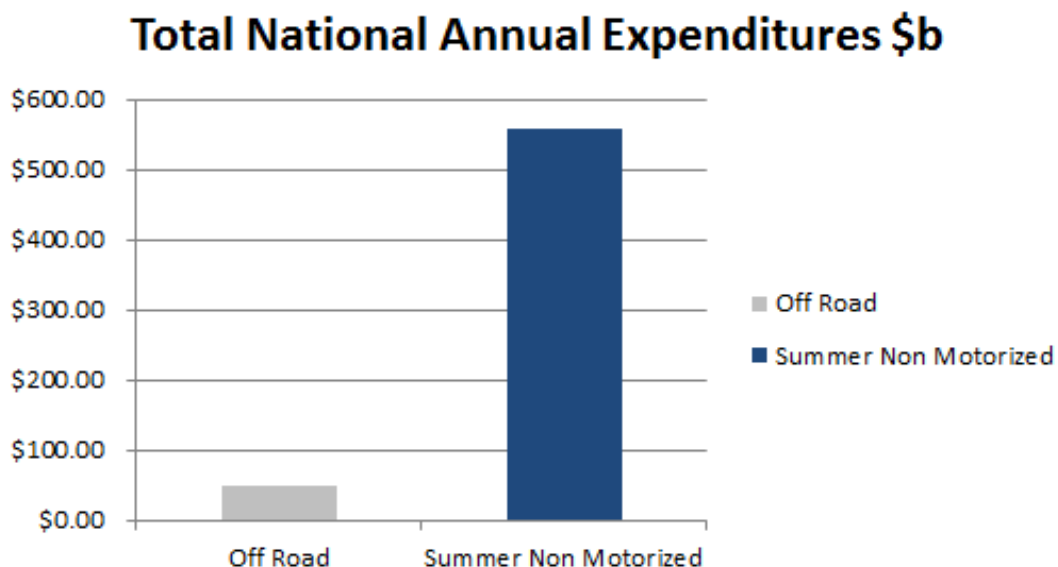
Both the current and potential market for non-motorized recreation in Coos County dwarfs that of ATVs. As of 2018, there were 23,386 ATV and dirt-bike registrations in New Hampshire. There are likely multiple ATVs registered to individual owners, but even if each ATV represents only one user, this amounts to 1.6% of New Hampshire's population. From 2018 to 2019, total registrations actually fell 3.7%. Residential (New Hampshire) ATV registrations have actually seen no growth since 2007. In fact, there has been almost no growth in residential registrations since 2002, and the share of the state's population represented by registrations has actually fallen.⁷

⁶ <https://learningstore.uwex.edu/Assets/pdfs/G3880.pdf>

⁷ NH Fish and Game data

This pales in comparison to the non-motorized economic opportunity. As opposed to ATVing's sub-2% participation rate, 67% of NH residents participate in non-ATV outdoor recreation annually. Among the most popular non-motorized activities are running/trail-running, backpacking, and mountain biking. In the ten years from 2007-2017 (most recent available) these activities nationally grew 33%, 65%, and 25% respectively. Non-motorized recreation is a much faster growing and larger economic opportunity, that represents a much broader segment of New Hampshire's population, but current state policy undermines it in order to favor ATVing. This makes no sense.⁸

When we consider the potential economic opportunity being displaced by ATVs, the comparison is eye opening. Based on the last available comprehensive study of ATV economic impacts in New Hampshire, ATVs account for roughly 6% of total direct, indirect, and induced outdoor spending in New Hampshire.⁹ More recent numbers on a national level show that ATV spending is less than ten percent of the summer non-motorized market, not including canoeing/kayaking.



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https://outdoorindustry.org/wp-content/uploads/congressionaldata/NEW-HAMPSHIRE/OIA-ConDist-New-Hampshire_2.pdf
<https://outdoorindustry.org/resource/2018-outdoor-participation-report/>

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<https://northernforest.org/images/resources/regional-economy-research/nfseinatureandheritagetourism.pdf>
 f (adjusted for changes in registration and inflation)

¹⁰ https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf
https://outdoorindustry.org/wp-content/uploads/congressionaldata/NEW-HAMPSHIRE/OIA-ConDist-New-Hampshire_2.pdf

Case Study: Moose Brook State Park

ATV users can currently camp at Moose Brook State Park, but they must trailer their machines to a trailhead; the roads and trails adjacent to the park are not open to OHRVs. For several years, the state park allowed ATVers to ride directly to Jericho State Park (state ATV park), through the park on the weekend of the Jericho ATV Festival.

The state stopped this practice in 2019 for two reasons. The first is that despite making special accommodations for ATVers, they found that overall usage of Moose Brook Park and its campground actually declined on those weekends, because ATVers did not fill the campground, and drove away the other users who typically use the campground. In 2015, occupancy of the park was roughly equal across the weekends before, during, and after the festival. After that year of allowing ATV travel in the park, there was a marked shift. In 2016 occupancy in the weekends before or after the ATV festival was on average 45% higher than during the festival. In 2017 it was 77% higher. In 2018, 74% higher. The state discontinued ATV travel in Moose Brook during the Jericho ATV festival in 2019, and the weekends on either side had only 20% higher average occupancy. With no ATV traffic, occupancy is returning to normal.¹¹

Secondly, other user groups in Moose Brook State Park noted the heavy damage done to roads and trails in the park during just that one weekend every year. They noted that the road used by ATVs, which is the central access point for many biking and hiking trails, was now eroded, washed out, and unusable by others.¹²

These impacts exemplify perfectly the negative ATV impact on recreation and recreation dollars more broadly. We have examples and studies showing that ATVs drive other recreational users away, and we now know that these other groups represent a much larger economic opportunity. This raises two important but unanswered questions. What impact is the pervasive presence of ATVs in the North Country having on the recreation economy as a whole, and why would we allow it to continue unaddressed?

Conclusions:

To recap, ATV tourism in the North Country, and Ride the Wilds in particular does not seem to have had any demonstrable net positive impact to the economy. There has been no overall improvement in the economy in terms of population retention, job creation, or tax revenue on a county-wide basis. Communities that have embraced ATVing like Berlin, Colebrook, and Pittsburg have seen worse outcomes than nearby communities that have taken other economic development approaches such as favoring non-motorized recreation.

¹¹ Data provided by NH DNCR. Note that number of nights followed a similar pattern. This may reflect people coming to Moose Brook State Park, and deciding not to stay the whole weekend.

¹² Coos Cycling Club letter to DNCR, 11/16/17

While opening roads to ATVs may (for now) lead to more real estate sales to ATVers, it appears to lead to lower property values, and a constricted market. Non-ATVers are less likely to purchase property on such roads, and long-time residents are choosing to leave.

Perhaps most significantly, the much larger economic opportunity that exists in non-motorized outdoor recreation risks being undermined and impeded by the overbearing footprint of ATV recreation in Coos County.

Recommendations:

ATV tourism, residents, and the much larger outdoor economy can coexist, but this requires careful planning. ATV recreation should be steered away from residential areas and areas with either existing or high potential for other higher dollar-value outdoor recreation. ATV use on multi-use trails should be limited as much as possible, and wherever possible ATV use of roads should be minimized out of concern for adverse impacts on residents as well as other recreational economic opportunities.


New Hampshire had standards in place following a study done fifteen years ago that addressed these concerns. The ATV industry and the Bureau of Trails undid these carefully constructed protections, and it is past time to bring them back, for the good of the state's residents, and for the good of the economy.

Appendix:


ATV users have an average age of roughly 45, nearly a decade older than the US average of 38. ATVing is not a growth industry. The growth recently in USD\$ terms has come from the switch from classic four-wheelers to more expensive side-by-sides, as the user group gets older. Side-by-side growth is slowing dramatically. In the beginning of the decade a lot of snowmobilers and ATVers bought side-by-sides. This seems to be tapering off. The customer base is aging and fairly stagnant, but dealers have upsold their customers as the customer base ages. Side-by-side growth was 10-20% plus earlier this decade. See Polaris recent results below. This is not a promising long term economic growth engine.

Recent Polaris results indicate a mature/slowing market. Growth in US Dollar terms, where it exists, appears to be coming from higher prices, not necessarily higher unit sales.

Q1'19 Retail Sales by Business

Y/Y Retail % Change (units)	POLARIS	INDUSTRY
TOTAL COMPANY*	↓ 3%	↔ Flat
 Off-Road Vehicles	↓ mid-single digits %	↓ low-single digits % (estimate)
Side-by-Sides	↓ low-single digits %	
ATVs	↓ low-double digits %	

Q2'19 Retail Sales by Business

	POLARIS	COMMENTS
 Off-Road Vehicles	↓ low-single digits %	<i>Higher priced / higher margin RANGER/RZR continue to perform well</i>
Side-by-Sides	↑ low-single digits %	
ATVs	↓ high-single digits %	