

**Delta Protection Commission Meeting  
November 19, 2020**

**AGENDA ITEM 12: ESP-Recreation and Tourism Chapter Update**

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Presented by: Virginia Gardiner

Requested Action: **Receive report and consider recommendations**

Type of Action: Information

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**Background:** Public Resources Code section 29759 requires the Commission to prepare and adopt an Economic Sustainability Plan (ESP), and Public Resources Code section 29761.5(a) requires the Commission to review the Plan (and update it if necessary) every five years. The Commission adopted the ESP in January 2012. The Commission initiated an update of the ESP beginning with the agricultural section in July 2017, and continuing with the recreation and tourism section in July 2019.

The Recreation and Tourism chapter update included a comprehensive review and synthesis of relevant recreation and tourism studies completed after 2012, and a series of five focus groups conducted between March and April 2020, integrated with best available current data and analyses of visitation, economic activity, and emerging recreation and tourism trends. Staff presented an overview of the focus groups report at the July 16, 2020 Commission meeting.

**Key Findings:** The Executive Summary (Attachment 1) provides highlights of the update findings. Table ES-1 of Attachment 1 lists selected economic data comparisons between this update and the 2012 ESP, and details of the economic analysis and data sources are included in the chapter appendices.

*Economic Analysis:* The following key data characterize the status of Delta recreation at the start of 2020:

- The number of marinas in the Delta has decreased since 2008, from 112 to 97 in 2020. Likewise, there has been a decline in recreation-related establishments located in the primary zone, from 96 in 2008 to 70 in 2020. The number of boat builders in the Delta fell by 50 percent, along with declines in most other boating-related businesses.
- The number of farms with direct sale operations, such as farm stands or you-pick operations, agritourism or recreation sales, have increased in the six Delta Counties

since 2002, with resultant increases in income per farm. In addition, many wineries and wine-tasting establishments have opened.

- Recreation visitation for 2020 was estimated at approximately 8 million *resource-related* (e.g., boating and fishing) visitor days of use per year, 2 million *urban parks-related* (e.g., golf, picnic, and turf sports), and 2 million *right-of-way-related* (e.g., bicycling and driving for pleasure) recreation visitors per year. Although no direct surveys exist, the total number of activity days was estimated to be similar to 2010.
- Current direct spending in the Delta region from *resource-related* and *right-of-way/tourism-related* trips and related non-trip spending is estimated at roughly \$250 million inside the Delta (in 2020 dollars), as compared to approximately \$312 million in 2012, a decline of almost 20 percent (30 percent in inflation-adjusted dollars). Most spending occurs within Legacy Communities and at marinas.
- Delta recreation and tourism now supports almost 2,300 jobs in the five Delta counties, compared to approximately 3,000 jobs in 2012 (a 26 percent decrease). These jobs provide about \$98 million in labor income, and a total of \$144 million in value-added to the regional economy. These numbers are lower than the estimates from 2012 when Delta jobs provided about \$104 million in labor income and \$175 million in value added.

More precise data partially explains the spending decreases, but more important from an economic perspective is the type of spending, according to the analysis. Most recreation spending currently is retail-related, which has a lower economic impact multiplier than other types. A higher level of spending on boats built in the Delta, for example, would increase the economic impact.

Constraints on stability and sustainability of the Delta recreation and tourism economy are largely chronic, as previously reported in the 2012 ESP and elsewhere. These include water quality, abandoned vessels, infrastructure, and limited public facilities and trails. Some have recently become more problematic, such as homelessness, invasive aquatic weeds, and traffic congestion.

As reported at the July 16, 2020 Commission meeting, the focus groups echoed concerns with these constraints. Nonetheless, business and marina owners were cautiously optimistic about the future, and recreation participants felt the Delta was a hidden gem, with easy access to natural areas. Ideas they offered to improve visitation, included increasing business networking, marketing, and programming, developing youth ambassador programs, and adding new businesses and public access facilities.

**Recommendations:** The 2012 ESP, this draft update, and multiple additional studies by others have made markedly similar recommendations over the years for various Delta entities and agencies to support and enhance Delta recreation and tourism, with disappointing progress in implementation. Obstacles to implementation are many but the most important include lack of funding, the complexity of Delta governance, and lack of a primary responsible entity to champion actions. Of the three, the Commission is best positioned to act as a primary responsible entity. Commission staff proposes an initiative to coordinate with public and private partners to develop and advance a priority recreation and tourism agenda by and for the Delta.

The draft ESP update refocuses on recommendations to solve problems in the areas that most strongly impact the recreation economy: marinas, boating, and Legacy Community-related outdoor recreation and tourism businesses. A partnership such as a Joint Powers Authority or other mechanism could collaboratively prioritize the general recommendations in the draft ESP update based on specific opportunities and needs identified by participants.

**Next Steps:** Commission staff has kicked off public outreach with presentations to the Delta as Place Interagency Working Group (October 27, 2020) and Delta Protection Advisory Committee (November 4, 2020). Concurrent with release of the draft chapter for public comment, Commission staff and the consultant will continue outreach for stakeholder and community input into January 2021.

**Requested Action:** Receive report and provide thoughts on additional outreach

***Relationship to Vision 2030 (Commission strategic plan):***

***Regional Economy (Strategic Theme)***

***E.1 Lead the implementation and required updating of the Economic Sustainability Plan (ESP).***