

## Leech Lake Tourism

27 Resorts (approx. 450 rental units – not including motel or RV sites), 6 Hotels, 3 Campgrounds

There were 60 resorts in the mid-1990's. This decline in resorts has been very detrimental to the area economy. The existing resorts need to remain viable businesses in order to maintain the tourism driven economy that the entire area thrives on.

Currently over \$9,000,000 in annual receipts at resorts only (not including RV and camping)

In total, all properties are currently generating well over \$1,000,000 in MN sales tax annually

From 2001 to 2006, when the walleye fishing declined dramatically, resort occupancy declined approximately 30% overall. Spring and fall business was down over 50%. These are very conservative estimates, as many resorts were down much more than that. Many resorts went from being completely booked on Opener a year in advance with a waiting list, to completely empty in only 2 years.

In 2009, fishing has been excellent, however occupancy has only gone up SLOWLY. It is currently still about 20% below 2001 levels. Poor fishing causes a very sharp decline in tourism and it takes much longer to regain that lost business.

If the upward trend continues and tourism occupancy rates can again achieve the "pre-decline levels", it would mean an additional \$2 million in annual lodging receipts and an additional \$150,000 in MN sales tax annually.

(From Explore MN Tourism)

Of the total amount spent by visitors: 25% on shopping, 25% on recreation, 24% on food, **14% on lodging**, and 12% on transportation. *(The revenue generated by lodging is small compared to the overall revenue that the community receives from tourism.)*

Every dollar spent on marketing and area promotion generates \$53.00 in gross sales, \$20.40 in wages, and \$4.60 in sales tax. *(Even IF stocking had no biological benefit to the lake, the promotional benefit of the positive PR from stocking is HUGE!)*

Tourism in Cass County annually generates \$38.6 million in gross sales and \$2.2 million in sales tax.

(From the U of MN Tourism Center)

Every dollar brought into the community by tourism is turned over 5 to 7 times before it leaves the area. *(Every Leech Lake area business benefits from tourism.)*

Prepared by John Dainsberg and Danna Pitt for Leech Lake Advisory Committee, 9/28/09