Proposal: Economic contribution of American Legion Memorial Park in Grand Rapids, Minnesota

Client

Grand Rapids Economic Development Authority
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Project overview

The City of Grand Rapids is engaged in a process to develop a new master plan for American Legion Memorial Park. First opened in 1966, the park covers around 160 acres and is used for a variety of purposes. Amenities and facilities on the property include:

- Yanmar Arena (ice events)
- Nobel Hall Field (football, soccer, lacrosse, and track and field events)
- Bob Streetar Field (baseball)
- Cody Seim Memorial Skatepark
- Reif Performing Arts Center
- Grand Rapids Area High School
- System of hiking, biking, and ski trails

The breadth and depth of activities draw thousands of people to the park each year. When people come to use the park, they may also dine out, stay in a hotel, or shop at a local business. Thus, in addition to serving as a valued amenity for residents, the park also helps to drive economic activity. As the City of Grand Rapids is working on the master plan, they would also like to understand the economic contribution of the park and the impact of potential park changes. Thus, they asked University of Minnesota Extension to prepare a proposal to measure the economic contribution of the park.

The goal of this research is to answer the following questions.

- How much economic activity does Legion Park currently generate in Grand Rapids?
- What type of businesses directly and indirectly benefit from the park?
- How will the improvements identified through the master planning process change the economic impact of Legion Park?

Project approach

Economic contribution includes direct, indirect, and induced effects. Extension is proposing to conduct two analyses. The first will quantify the current economic contribution of Legion Park. Once the master plan process is complete and the City of Grand Rapids has agreed upon a concept, Extension will quantify the potential economic contribution of the concept.

Direct effect

The direct effect is the initial change in the economy due to an activity or event. When people travel to use Legion Park, they may also go out to eat, shop at a local store, and stay overnight in a hotel. This spending by park users is one component of the direct effect. In addition, the City of Grand Rapids, the Grand Rapids School District, and the Reif Center operate facilities within the park. The spending by the city, district, and Reif Center is also part of the direct effect.

The formula for calculating the amount of spending by park users is:

Park user spending =

Number of park users * spending per park user

Park user spending

Extension would use estimates from previous studies of visitors in Greater Minnesota as spending profiles for park users. In the past 10 years, Extension (and our partner at University of Minnesota Duluth) have conducted dozens of event attendee visitor surveys, including several related to hockey and one for Yanmar Arena. We have compiled a standard spending pattern for both visitors (those traveling more than 50 miles and/or staying overnight for the activity) and local residents that will be used in this analysis.

Number of park users

The approach to calculating the number of park users will vary depending on the facility and/or park amenity.

Sports-related

For the current facilities and amenities that are primarily focused on sports-related activities, Extension will estimate users based on the number of teams engaged in tournaments or games. For example, a youth hockey tournament has X number of teams, each team carries a certain number of players, and each player brings X people along, giving an estimate of crowd size. Extension will also need to determine which users are local residents versus visitors. To do this, Extension will look at the home locations of the teams.

For the analysis of the new master plan concept, Extension will partner with Bolton and Menk (master plan consultants) to determine the number of potential events/activities and estimate crowd sizes.

Trail-related

Extension will use two approaches to quantify the current number of trail users. The first is the Placer AI database. Placer AI is a mobile analytics data platform. It can provide estimates of the number of visitors to a specific geolocation based on cell phone patterns. **Placer data for the trails may be limited.**

Extension is currently also working with Itasca County on an analysis of the economic impact of trails in the county. Through that project, trail counters will be placed on trail systems. As that work unfolds, data from those counters can be used for this project.

To measure future trail users, Extension will again work with Bolton and Menk to determine an appropriate way to measure the number of trail users, depending on the trail concepts presented. This might include using information from community surveys and looking at other trail systems.

Reif Center

The Reif Center is currently engaged in a planning process. Extension has discussed this project with Reif Center staff. They will provide information on ticket sales for events held at the center. There is also Placer AI data available for the Reif.

High School

The high school building's use for educational purposes **will not be included** in this analysis. Sport fields owned and operated by the district will be included.

Operations

The City of Grand Rapids will provide data on operational expenses to Extension. This includes expenditures for items such as labor, utilities, supplies, and other materials. The City of Grand Rapids will help coordinate gathering of operational data from the school district and the Reif Center for their facilities.

Indirect and induced effects

Once the initial change in the economy (direct effect) is quantified, it can be entered into an input-output model. Input-output models trace the flow of goods and services throughout an economy. Once the flow is known, the model can show how a change in one sector of the economy (say increased sales at restaurants) affects other parts of the economy (say the suppliers of the restaurant). The indirect and induced effects are often at businesses in the community that may never directly serve a park user but benefit nonetheless from Legion Park.

Extension will use the input-output model IMPLAN to calculate the indirect and induced effects.

Study area

The study area of an economic contribution study is important, as it defines where the spending dollars are captured. In this analysis, the study area will be Itasca County. Thus, the economic contribution study will quantify the direct, indirect, and induced effects within the county. To the extent possible, Extension will estimate the economic contribution occurring in Grand Rapids.

Extension roles and responsibilities

Brigid Tuck, applied research specialist

- Design research approach
- Oversee data collection
- Conduct IMPLAN analysis
- Author report
- Present results, as requested

John Bennett, Extension educator

- Provide project management and support
- Review final report
- Co-present results, as requested

Xinyi Qian, Tourism Center director

- Assist with research design
- Provide relevant tourism-related input into the report

Client roles and responsibilities

The City of Grand Rapids will complete the following tasks.

- Provide feedback and guidance on the project methodology
- Continue to coordinate Extension's work with Bolton and Menk, as appropriate
- Assist with data collection, as appropriate
    - This includes helping to assemble a list of sporting activities for each facility
    - This also includes getting operational expenditure data from the school district and the Reif Center
- Review draft reports and provide feedback and input

Project deliverables

The City of Grand Rapids will receive the following:

- Electronic copy of a written report
- Up to 2 presentations of the results to audiences selected by the City

Study limitations

The success of the analysis relies on a solid partnership with Bolton and Menk. Extension will need to coordinate with their team for data collection. In addition, data for the number of trail users may be difficult to obtain.

Timeline

This project will be completed in two phases.

Phase 1: Current economic contribution

Kick-off: January 1, 2026
Preliminary data for project team review: February 13, 2026
Final report: March 27, 2026

Phase 2: Economic contribution of new park concept

Kick-off: May 1, 2026
Preliminary data for project team review: June 12, 2026
Final report: July 31, 2026

Cost

The cost of this project will not exceed $4,000