Economic Impacts in Temecula Valley

Galway Downs Events, 2022

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Galway Downs Events, 2022

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Table of Contents

Executive Summary

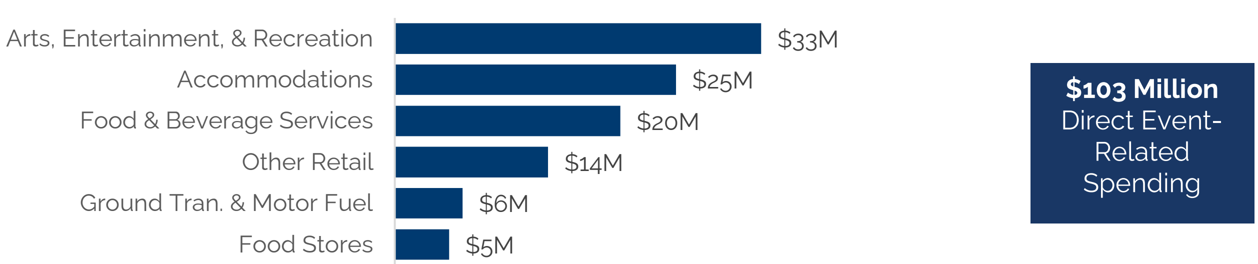
Galway Downs is a distinguished and versatile facility in Temecula, California that hosts a variety of events throughout the year. Spanning 242 acres, their grounds include a 1-mile equestrian racetrack, a 5/8-mile training track, a polo field, 12 soccer fields, a high-end wedding venue, 14 arenas for training and competition, and 400 permanent equestrian stalls. Visit Temecula Valley, the region's destination marketing organization, contracted Dean Runyan Associates (DRA) to conduct a study of how the venue impacts the regional economy in terms of their events that primarily serve non-residents: equestrian events, amateur sporting events (soccer, frisbee, lacrosse, and running), and weddings. This study reports the economic contribution made by both participants and attendees of these events at Galway Downs itself, as well as at the Temecula Valley accommodations and retail businesses frequented by both groups during their travels.

The methodology for the study utilized 2022 revenue and operational data as reported by Galway Downs, survey results for attendees of weddings and amateur sporting events in Southern California in 2022 as provided by D.K. Shifflet & Associates, DRA's proprietary Regional Travel Impacts Model (RTIM), and earnings and employment outputs from Riverside County-specific IMPLAN modeling of indirect and induced effects of direct visitor spending.

Direct Non-Resident Expenditures

Considering all revenue relating to participant and attendee expenditures in the categories listed above—equestrian, amateur sports, and weddings—DRA estimates that visitor events at Galway Downs contributed approximately $103 million in direct non-resident expenditures to the regional economy in 2022. Among the commodity segments benefiting from these expenditures, Arts, Entertainment, & Recreation received the most with approximately $33 million. Within this subtotal, $19 million was collected directly by Galway Downs from sources such as equestrian entry fees, sports team registration charges, and wedding facility rentals. The remaining $14 million was realized by other regional businesses in this segment from off-site spending by Galway Downs' visitors. The second highest spending category among event participants and attendees was Accommodations, accounting for roughly $25 million (24%) of the total, with Food & Beverage Services next at approximately $20 million (20%).

Figure 1. Galway Downs Event-Related Expenditures* by Commodity Type, 2022



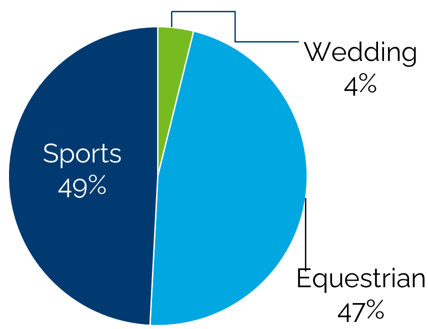
*Expenditures by visitors who attend an equestrian event, amateur sporting event, or wedding.

Direct Non-Resident Expenditures by Type of Event

Of the three event categories at Galway Downs that drive economic impact in Temecula Valley, equestrian events generally have the highest public profile. However, when considering the cumulative effects produced by these events in 2022, the economic impact of equestrian events ($49 million) was marginally less than the collective impact resulting from amateur soccer, running, lacrosse, and frisbee events ($51 million). This can be explained by the fact that amateur sporting events draw a significantly larger number of participants than equestrian events, accounting for 64% of the total person-nights as opposed to equestrian events' accounting for only a 34% share.

Weddings contribute the least financially among event types, with visitor spending and related fees accounting for 4% of overall impacts attributable to Galway Downs. However, weddings generate the most in terms of spending per attendee due to the considerable rental and catering expenses associated with hosting a wedding on their grounds, where the average reported cost was approximately $35,000 in 2022.

Figure 2. Travel Spending Associated with Galway Downs, 2022



Direct Economic Impacts — Employment, Earnings, and Taxes

The direct expenditures associated with events at Galway Downs contributed to the earnings and employment realized both at the facility and at other local businesses. This spending also helped generate tax revenues received locally and at the state level.

In 2022, the earnings resulting from the travel activities of visitors attending weddings, equestrian events, or sporting events at Galway Downs was $34.3 million. These earnings encapsulate the total post-tax net income derived from activities linked to travel and are comprised of wage and salary distributions, proprietor income, and additional earned income or benefits. Given the labor-intensive nature of the travel industry, a significant portion of these earnings benefited the workforce through wages, compared to some other industries where earnings more support capital investments or benefit intellectual property holders.

Direct spending associated with the events at Galway Downs also supported 707 jobs in the Temecula Valley in 2022. This employment refers to the total number of full and part-time jobs directly attributable to spending made by the facility's event participants and attendees.

Participation in weddings, sporting events, or equestrian activities at Galway Downs also generated nearly $6.0 million in taxes in California, with $3.3 million designated for the city of Temecula or Temecula County and $2.6 million allocated to the state. These taxes include lodging taxes, motor fuel taxes, and sales taxes, as well as business taxes and personal income taxes paid by employees and proprietors of travel-related businesses. The taxes realized by the city of Temecula specifically are primarily lodging taxes but also include city sales taxes.

Total Economic Impacts—Employment and Earnings

In addition to the direct expenditures summarized above, event-related activities at Galway Downs also impacted regional earnings and employment via indirect and induced impacts (also known as secondary impacts).

Indirect impacts refer to the portion of business earnings spent within the local area on labor and supplies to support their infrastructure and services; and induced impacts relate to the portion of employee wages spent on other goods and services (like groceries and housing) in the region. This re-spending of travel-related revenues creates indirect and induced impacts. The Temecula Valley economy benefited by these secondary impacts among 11 major industry groups (each is described later in the full report).

As shown in Table 1 on the next page, the secondary impacts of direct travel-related expenditures accounted for an additional 229 jobs to Temecula Valley's economy, 110 from indirect effects and 119 from induced effects. Most of these additional jobs occurred in industry groups outside those typically associated with tourism, including Professional & Business Services (74) and Education & Health Services (29).

These secondary impacts affected business earnings in a similar way (Table 2), adding $11.5 million to the $34.3 million in earnings associated with direct participant and attendee spending.

Considered together, Galway Down's event-related direct spending generated $45.8 million in total earnings for Temecula Valley businesses and supported 936 jobs.

Table 1. Secondary Impacts of Event-Expenditures—Employment

Industry Group	Direct	Secondary Indirect	Secondary Induced	Secondary Total	Grand Total
Accommodations. & Food Services	412	15	17	33	445
Arts, Entertainment, & Recreation	229	3	3	6	235
Trade	66	6	22	29	95
Transport	-	4	5	9	9
Professional and Business Services	-	58	16	74	74
Natural Resources and Mining	-	-	-	-	-
Construction	-	2	1	3	3
Manufacturing & Utilities	-	1	-	1	1
Information	-	8	3	11	11
Financial Activities	-	2	5	7	7
Education and Health Services	-	1	28	29	29
Other Services	-	7	12	19	19
Public Administration	-	4	4	8	8
All Industries	707	110	119	229	936

Table 2. Secondary Impacts of Event-Expenditures—Earnings ($Million)

Industry Group	Direct	Secondary Indirect	Secondary Induced	Secondary Total	Grand Total
Accommodations & Food Services	18.4	0.6	0.6	1.1	19.5
Arts, Entertainment & Recreation	13.2	-	0.1	0.1	13.4
Trade	2.7	0.4	1.1	1.5	4.2
Transport	-	0.2	0.2	0.4	0.4
Professional and Business Services	-	2.6	0.7	3.3	3.3
Natural Resources and Mining	-	-	-	-	-
Construction	-	0.1	0.1	0.2	0.2
Manufacturing & Utilities	-	0.1	-	0.1	0.1
Information	-	0.5	0.2	0.7	0.7
Financial Activities	-	0.1	0.2	0.4	0.4
Education and Health Services	-	-	1.7	1.7	1.7
Other Services	-	0.4	0.7	1.1	1.1
Public Administration	-	0.5	0.3	0.7	0.7
All Industries	34.3	5.6	5.9	11.5	45.8

Context within the Temecula Valley Visitor Economy

The impacts described in our analysis are largely comprised of the same types of visitor spending analyzed for DRA's annual reporting of the Temecula Valley visitor economy, though the two are not directly comparable. Some expenditures included for Galway Downs, such as field and wedding facility rentals, are not considered in our Regional Travel Impacts Model (RTIM) because they do not meet the criteria that we have established for more typical visitor purchases.

Still, we can estimate that approximately 81% of the Galway Downs impacts comprise direct visitor-related spending in spending categories that are comparable to what's tracked in the RTIM. Comparing the $84.2 million in direct visitor spending associated with Galway Downs to the nearly $1.0 billion reported for Temecula Valley in 2022 suggests that the impacts of their event activities constituted approximately 8% of all visitor spending in the region.

Methodology

To estimate the economic impacts of travel and tourism to Temecula Valley, DRA employed the company's proprietary Regional Travel Impact Model (RTIM). The RTIM models each accommodation type: hotel/motel/short term vacation rental (STVR), private home, second home, camping, and day travel, allowing us to individually segment the economic contributions of various categories of visitors.

The estimation of Galway Downs' travel impacts primarily relies on factors such as the number of travelers, their duration of stay in the area, and their average daily expenditures. DRA gathered pertinent data from the facility, encompassing event duration, registration details, revenue, attendance, and the count of full-time and part-time staff employed. Additionally, DRA procured survey profile data pertaining to visitors journeying to or within Southern California, specifically those attending either a wedding or an amateur sporting event. This data was then merged with DRA's existing visitor profile estimates for average daily spending, enabling the assessment of impacts associated with equestrian, amateur sporting, and wedding events. Furthermore, relevant research on equestrian event impact studies was reviewed, and spending estimates were used for comparative purposes to ensure the appropriateness of our distribution of travel spending.

Market Profile of Temecula Valley

City of Temecula Demographics

The city of Temecula exhibits a slightly elevated population of individuals under the age of 18 compared to both California and the entire US, while having a marginally smaller proportion of individuals aged 65 and above. Roughly 37 percent of Temecula's residents hold a bachelor's degree or higher, which aligns closely with the statewide average in California. The median annual household income in Temecula stands at $99,000, surpassing California's median of $79,000 by 25%, and exceeding the United States' median of $65,000 by 52%.

Figure 3. Age of Population

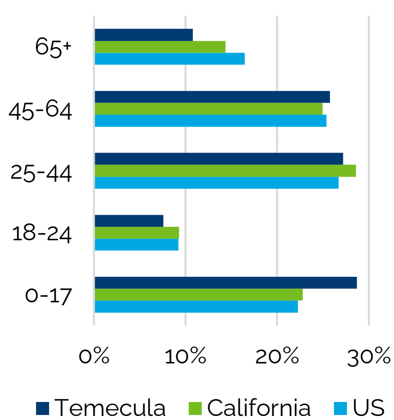


Figure 4. Education of Population

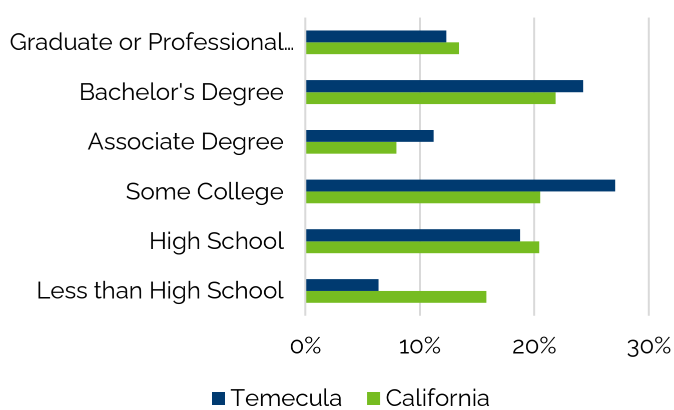
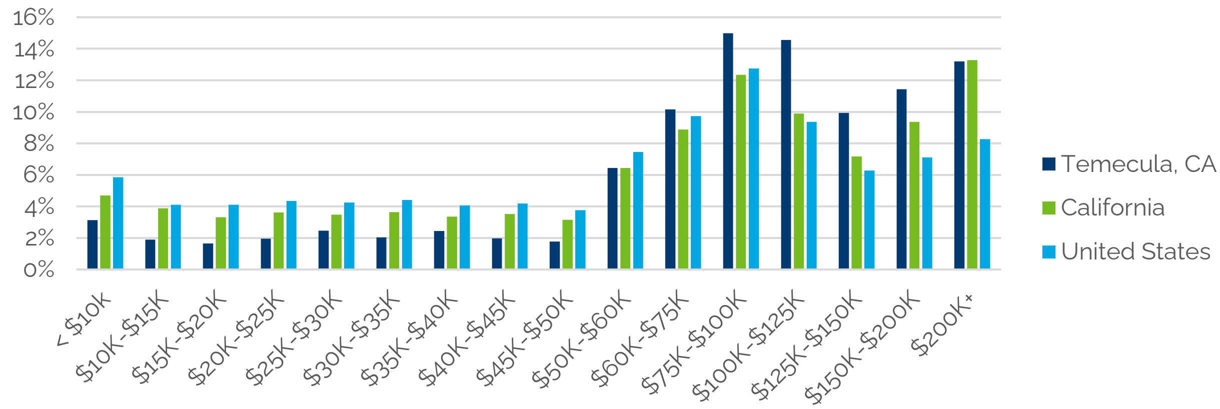


Figure 5. Median Household Income



Examining the income earned by workers in diverse sectors within Temecula, as presented in Figure 6 And Figure 7 on the next page, reveals that workers in Temecula outpace their counterparts in California and the United States across all sectors except "Other Services Except Public Administration" and "Information." In the "Agriculture, Forestry, Fishing & Hunting, & Mining" sector, male workers attain an average yearly wage of $70,000, which is 145% higher compared to their Californian counterparts and 70% higher than the same sector's workers across the entire United States. Female workers in the same sector earn an average of $59,000 annually, surpassing their Californian counterparts by 213% and those across the United States by 136%. This geographic-level variance for both men and women underscores the higher value-added nature of this sector in Temecula, attributable to the presence of wineries and equestrian businesses that contribute substantially more value than other agricultural-related industries like food production.

The discrepancy in median earnings across industries for men and women is notably influenced by factors such as the proportion of part-time workers, occupational roles, and the specific industries in which they are employed. While studies investigating gender-related wage gaps consider these factors and more, such an in-depth analysis falls outside the scope of this study. Nevertheless, gender-specific breakdowns are provided to offer a more nuanced perspective on earnings across various sectors.

Figure 6. Median Earnings by Industry—Men

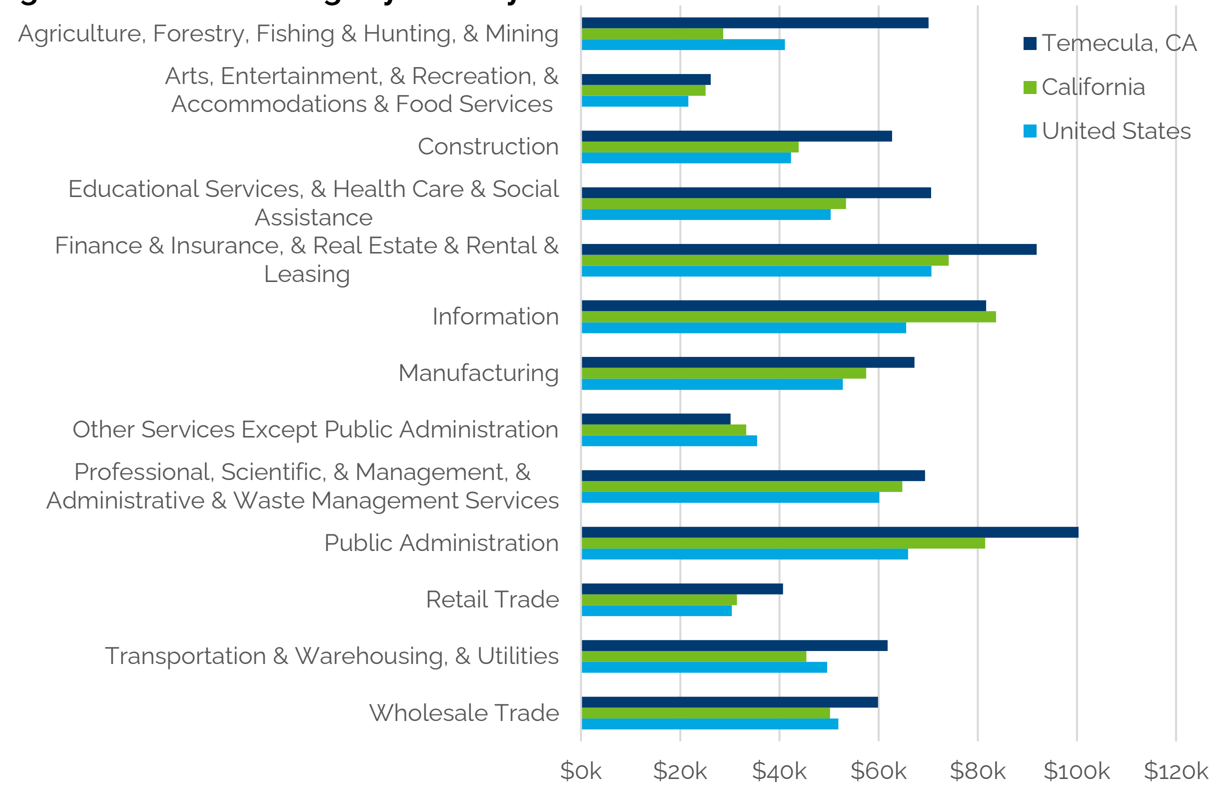


Figure 7. Median Earnings by Industry—Women

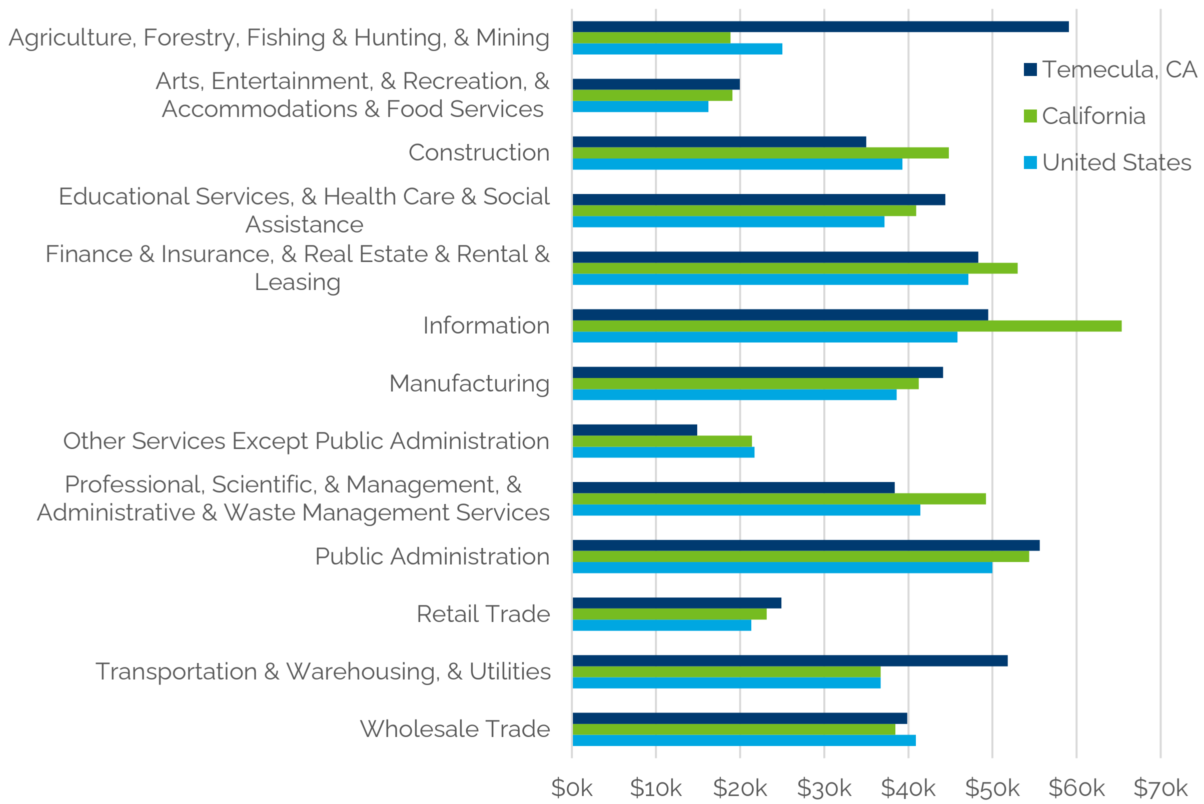
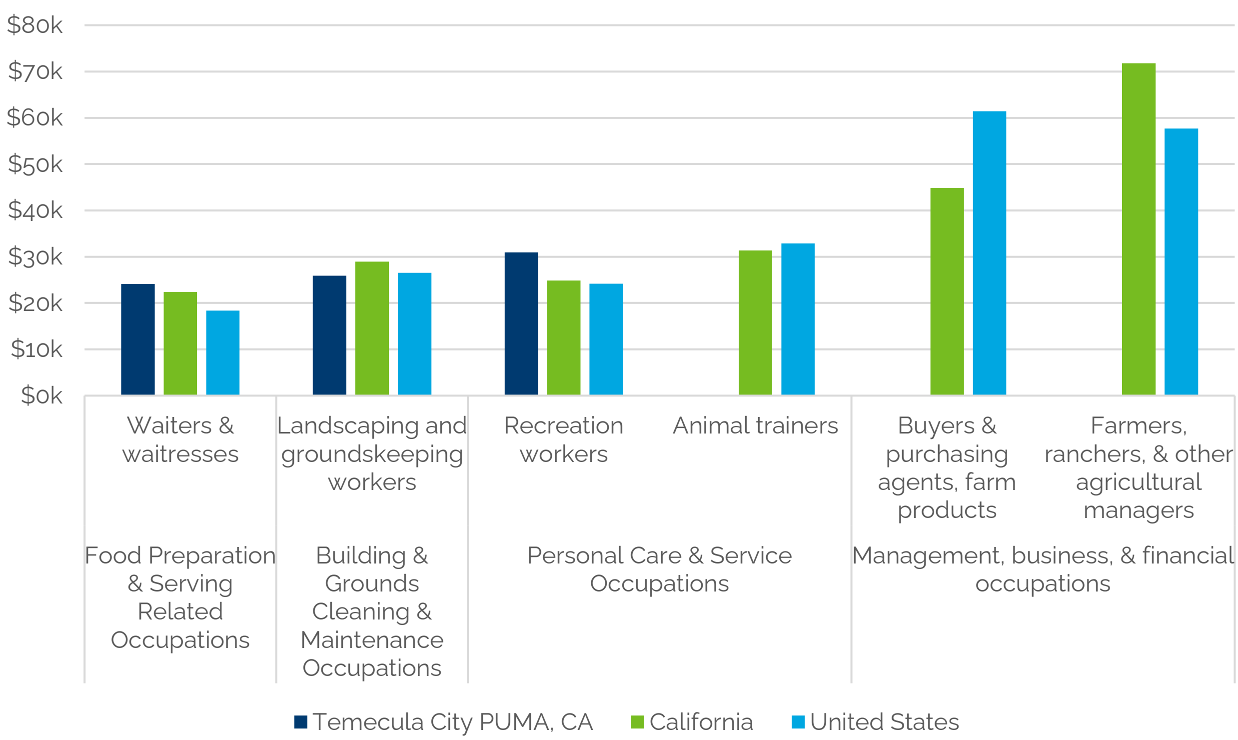


Figure 8. presents the salaries associated with various pertinent occupations in Temecula, offering a comparison against wages for equivalent roles in California and the United States. Unfortunately, precise estimations for very specific occupations in Temecula were not attainable. Furthermore, owing to the absence of data specific to the city, the earnings data reflects the Public Use Microdata Area (PUMA) associated with Temecula, which exhibits a considerable degree of concordance with the city of Temecula. Overall, earnings within Temecula maintain a level of parity with those in California and the broader United States.

Figure 8. Salaries of Pertinent Occupations, 2022



Note: Temecula data not available for “Animal trainers,” “Buyers & purchasing agents, farm products,” and “Farmers, ranchers, & other agricultural managers.”

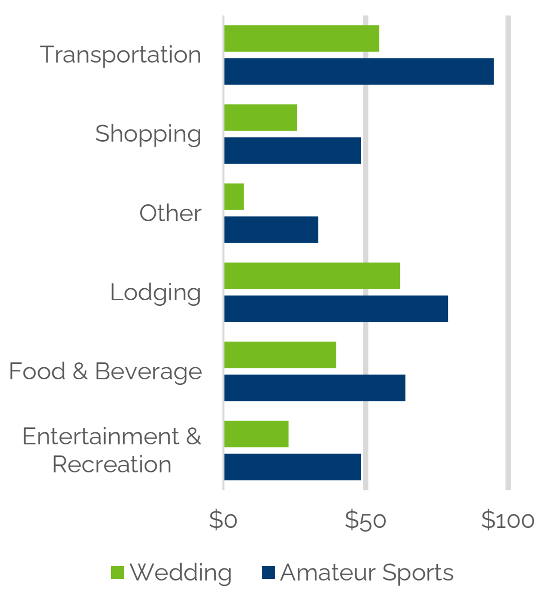
Visitor Profile

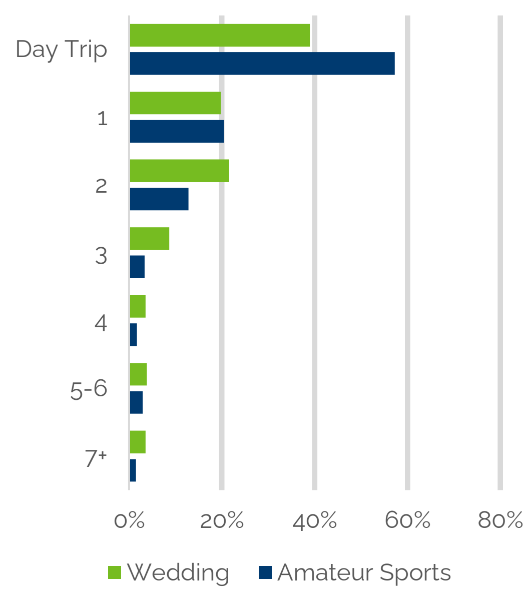
Visitor Surveys

DRA obtained panel survey data from DK Shifflet & Associates to evaluate the travel characteristics of visitors who attended either amateur sporting events or weddings in Southern California in 2022.

Visitors to weddings traveled more often by air or rental car (36%) than attendees of amateur sporting events (14%) and stayed longer on average, 1.6 days vs. 1.0 days. Still, average daily spending by visitors to sporting events was considerably higher, $318 vs. $186, including for gas and other transportation costs ($94 vs. $55). DRA assumes the lower average expenditures for wedding guests to be related to the inclusive elements of weddings regarding food & beverage and entertainment—costs that we consider elsewhere in our model.

Figure 9. Average Expenditure per commodity type and duration of stay for individuals who participated in either amateur sporting events or weddings, 2022





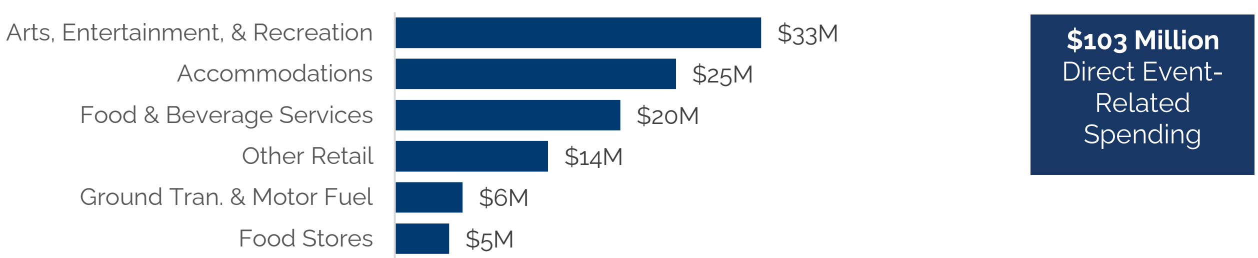
Note: Transporation includes air travel.

Direct Economic Impacts

Visitor Spending Associated with Galway Downs

In 2022, Galway Downs contributed approximately $103 million to Temecula Valley's economy via event-related visitor expenditures. Among the spending categories affected, the leading segment was Arts, Entertainment, & Recreation, which realized approximately $33 million. Within this figure, $19 million originated directly from sources such as equestrian entry fees, sports team registration charges, and wedding expenses paid to Galway Downs. The remaining $14 million stemmed from spending by event attendees in the local businesses of Temecula Valley. The second highest spending category was Accommodations, accounting for roughly $25 million, while Food & Beverage Services was third, contributing approximately $20 million to the local economy.

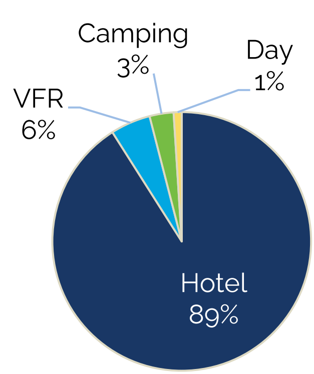
Figure 20. Galway Downs Event-Related Expenditures* by Commodity Type, 2022



*Expenditures by visitors who attend an equestrian event, amateur sporting event, or wedding.

The primary source of expenditures was attributed to hotel-staying visitors. Additionally, some individuals attending Galway Downs' events chose to lodge with friends or relatives in the vicinity (commonly referred to as Visiting Friends and Relatives or VFR) or at one of the area's campgrounds. Lastly, a minority portion of visitors engaged in day trips to Temecula Valley to attend events or weddings hosted at Galway Downs.

Figure 11. Travel Spending Associated with Galway Downs, 2022



Of the three event categories at Galway Downs that drive economic impact in Temecula Valley, equestrian events generally have the highest public profile. However, when considering the cumulative effects produced by these events in 2022, the economic impact of equestrian events ($48 million) was marginally less than the collective impact resulting from amateur soccer, running, lacrosse, and frisbee events ($51 million). This can be attributed to the fact that amateur sporting events draw a significantly larger number of participants than equestrian events, accounting for 64% of the total person-nights as opposed to equestrian events' 34% share.

Wedding attendees constitute 2% of the total visitors related to Galway Downs' activities, but this group accounts for 4% of the overall spending, which is linked to the rental and catering expenses involved in weddings hosted at Galway Downs where the average wedding cost was $35,000 last year.

Figure 12. Travel Spending Associated with Galway Downs

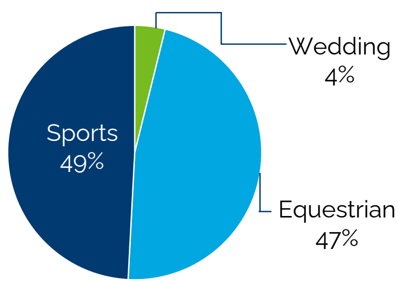


Figure 13. Person-nights Associated with Galway Downs

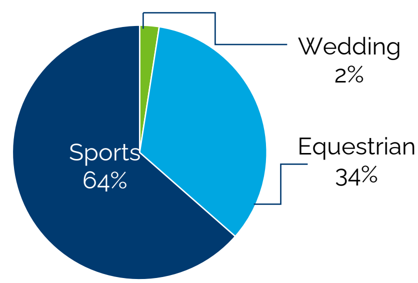
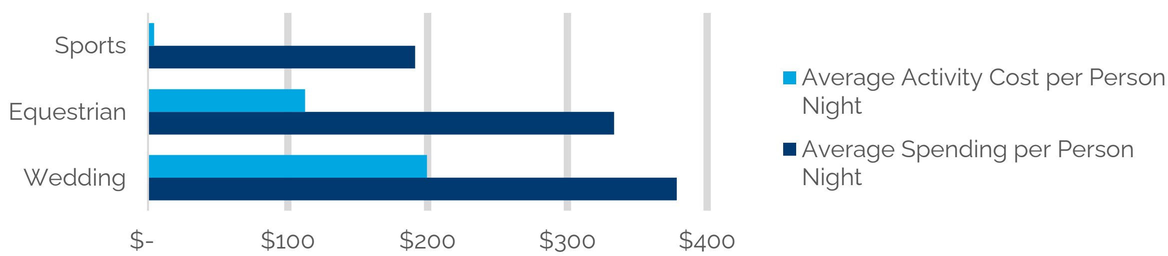


Figure 14. Per Person-night Travel Spending Associated with Galway Downs



Earnings, Employment, and Taxes Associated with Galway Downs Events

Visitor expenditure within Temecula Valley yields benefits for local businesses, provides employment opportunities for community residents, and contributes to tax revenues.

In 2022, there were $34.3 million in earnings resulting from the travel activities of visitors attending weddings, equestrian events, or sporting events at Galway Downs. Travel-related earnings encapsulate the total post-tax net income derived from activities linked to travel. This comprises wage and salary distributions, proprietor income, and additional earned income or perks. Given the labor-intensive nature of the travel industry, a significant portion of these earnings benefit the workforce through wages, rather than predominantly benefiting capital or intellectual property holders.

In 2022, 707 jobs were supported by direct spending relating to events or weddings at Galway Downs. This employment refers to the total number of full and part-time jobs directly attributable to spending made by the facility's event participants and attendees.

Direct visitor-related spending from weddings, sporting events, and equestrian activities also resulted in approximately $3.3 million in local taxes and $2.6 million in state taxes. State taxes include lodging taxes, motor fuel taxes, and sales taxes, as well as business taxes and personal income taxes paid by employees and proprietors of travel-related businesses. Local taxes primarily take the form of lodging taxes imposed by the city of Temecula. They also include county and city sales taxes.

Table 3. Travel Impacts of Galway Downs and Temecula Valley, 2022

	Galway	Galway (Excluding Fees)	Temecula Valley
Spending ($Million)			
Total (Current $)	103.4	84.2	999.7
Earnings ($Million)			
Earnings (Current $)	34.3	26.6	345.3
Employment (Jobs)			
Employment	707	644	9,160
Tax Revenue ($Million)			
Local	3.3	3.3	14.1
State	2.6	2.6	28.9
Total (Current $)	6	5.9	43

Note: See appendix for breakouts of earnings and employment by commodity type. Appendix also contains historical data series on travel impacts in Temecula Valley.

Secondary Economic Impacts

Travel spending brings money into Temecula Valley communities in the form of business receipts. Portions of these receipts are spent within the local area on labor and supplies. Employees, in turn, spend a portion of their earnings on goods and services in the local area. This re-spending of travel-related revenues creates indirect and induced impacts.

- **Direct** impacts represent effects attributable to traveler expenditures.
- **Indirect** impacts represent effects associated with industries that supply goods and services to the direct businesses.
- **Induced** impacts represent effects of purchases made by employees in both the direct and indirect businesses.
- **Secondary** impacts represent the sum of indirect and induced impacts.

The impacts in this section are presented in 11 major industry groups. A brief description of the largest secondary impact groups is provided below:

- **Professional Services** (74 jobs and $3.3 million in earnings) A variety of administrative services (e.g., accounting and advertising) are utilized by travel businesses. Employees of these businesses also purchase professional services.
- **Education & Health Services** (29 jobs and $1.7 million in earnings) The secondary effects are primarily induced, such as travel industry employees personal use of medical services.
- **Financial Activities** (7 jobs and $400 thousand in earnings) Both businesses and individuals make use of banking and insurance institutions.
- **Other Services** (19 jobs and $1.1 million in earnings) Employees and travel businesses utilize several service providers such as repair shops, laundry, maintenance, and business services.

Employment

Figure 15. Direct and Secondary Employment

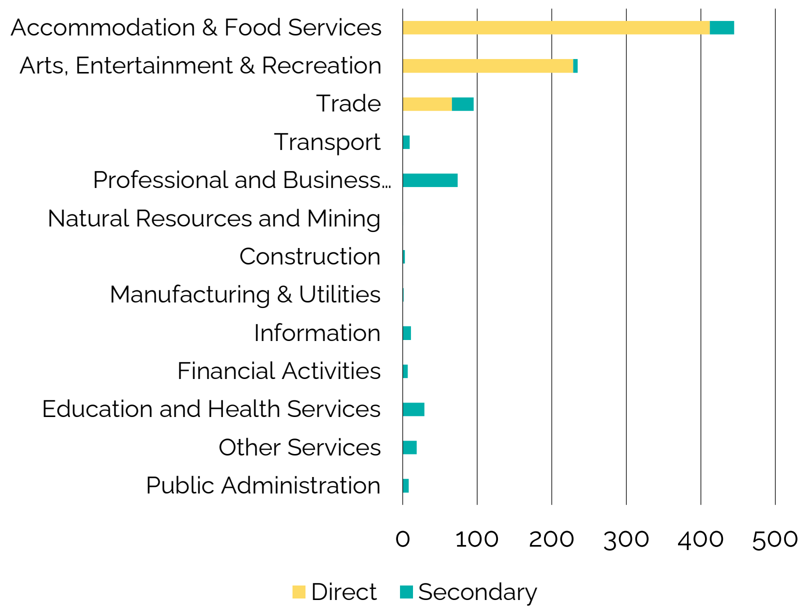


Figure 16. Share of Total Employment

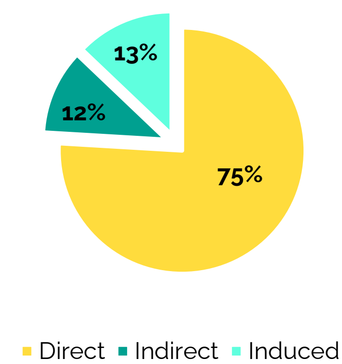


Table 4. Total Secondary Employment

Industry Group	Direct	Secondary			Grand Total
		Indirect	Induced	Total	
Acm. & Food Services	412	15	17	33	445
Arts, Ent. & Recreation	229	3	3	6	235
Trade	66	6	22	29	95
Transport	-	4	5	9	9
Prof. and Bus. Services	-	58	16	74	74
Natural Res. and Mining	-	-	-	-	-
Construction	-	2	1	3	3
Manufacturing & Utilities	-	1	-	1	1
Information	-	8	3	11	11
Financial Activities	-	2	5	7	7
Ed. and Health Services	-	1	28	29	29
Other Services	-	7	12	19	19
Public Administration	-	4	4	8	8
All Industries	707	110	119	229	936

MOST DIRECT JOBS
Accommodation & Food Services

MOST SECONDARY JOBS
Professional and Business Services

Note: Values may not add to totals due to rounding. Employment includes full-time employees, part-time employees, seasonal employees. Acm. (Accommodations), Prof. (Professional), Bus. (Business), Res. (Resources), Ed. (Education).

Earnings

Figure 17. Direct and Secondary Earnings ($Million)

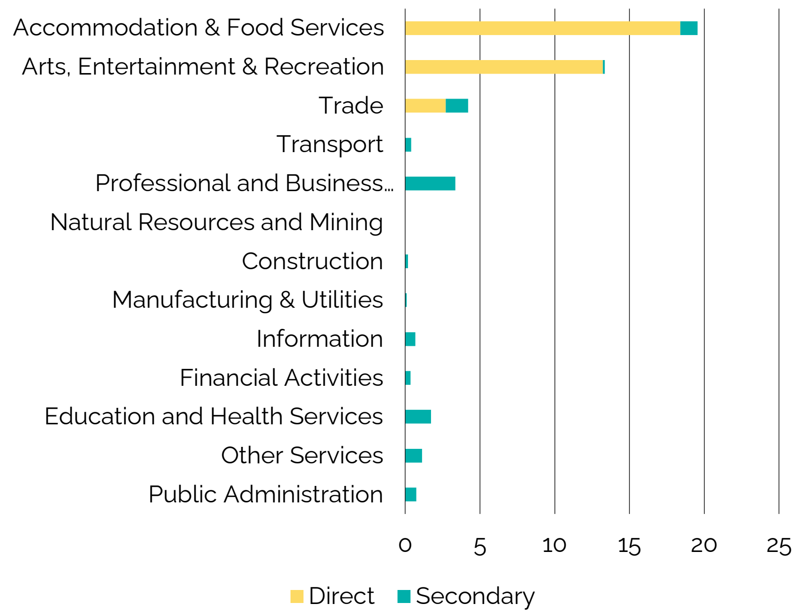


Figure 18. Share of Total Earnings

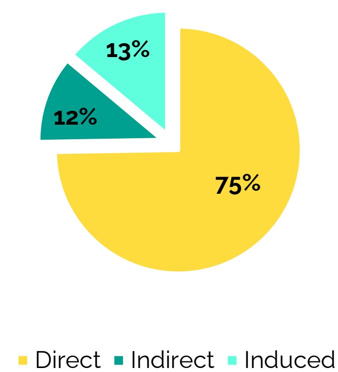


Table 5. Total Secondary Earnings ($Million)

Industry Group	Direct	Secondary			Grand Total
		Indirect	Induced	Total	
Acm. & Food Services	18.4	0.6	0.6	1.1	19.5
Arts, Ent. & Recreation	13.2	-	0.1	0.1	13.4
Trade	2.7	0.4	1.1	1.5	4.2
Transport	-	0.2	0.2	0.4	0.4
Prof. and Bus. Services	-	2.6	0.7	3.3	3.3
Natural Res. and Mining	-	-	-	-	-
Construction	-	0.1	0.1	0.2	0.2
Manufacturing & Utilities	-	0.1	-	0.1	0.1
Information	-	0.5	0.2	0.7	0.7
Financial Activities	-	0.1	0.2	0.4	0.4
Ed. and Health Services	-	-	1.7	1.7	1.7
Other Services	-	0.4	0.7	1.1	1.1
Public Administration	-	0.5	0.3	0.7	0.7
All Industries	34.3	5.6	5.9	11.5	45.8

MOST DIRECT EARNINGS
Accommodations & Food Services

MOST SECONDARY EARNINGS
Professional and Business Services

Note: Values may not add to totals due to rounding. Acm. (Accommodations), Prof. (Professional), Bus. (Business), Res. (Resources), Ed. (Education).

Comparable Studies and Facilities

Relevant Equestrian Impact Studies

DRA also corroborated findings with those of other studies on the impact of equestrian activities. Our estimation of the typical expenses incurred by participants in equestrian events and their accompanying group aligned with the expenditure pattern outlined by Griggs in the 2006 publication titled "Equestrian Tourism as a Form of Economic Development." While Griggs' assessment pegged individual daily expenditures at $180, surpassing the recommendation of $140 put forth by the American Quarter Horse Association during that period, we also factored in the rise in the cost of goods and services between 2006 and 2022. As a result, we estimate an average expenditure of $221 per individual per day. This estimate considers the spending habits of participants who might opt for camping or utilizing a secondary residence in the vicinity rather than opting for hotel accommodations. The key takeaways from both the Griggs study and various other analyses can be found in the Appendix.

Equestrian Facilities in Temecula Valley

While this study focused on the spending impacts of events at Galway Downs, we identified several other facilities in the Temecula Valley area that offer equestrian events. The events and services promoted by each is detailed in Table 6, with four of the five facilities hosting weddings and three also hosting corporate gatherings. Though Galway Downs stands out from the others in terms of the breadth of its offerings as well as its capacity for non-equestrian sporting events, the collective offerings of the others suggest that the event-impacts generated at Galway Downs represent only a portion of total event impacts realized by these types of businesses in the Temecula Valley.

Table 6. Comparable Facilities Events and Services

	Galway Downs	California Ranch Company	Tucalota Creek Ranch	Green Acres Ranch	Global Sport Horse Stables
Event Types					
Athletic Competitions	X				
Corporate	X	X	X		
Equestrian	X	X	X	X	X
Concerts			X		
Weddings	X	X	X	X	
Wine-Related			X		
Additional Services					
Equestrian					
Training		X	X	X	X
Trail Riding	X	X			
Youth Horse Camp	X			X	
Horse Boarding			X	X	
Horse Sales					X
Other					
Accommodations	X	X		X	X
Wine Tasting Room			X		
Film Set		X			

Conclusion

DRA's study of the economic impact of events at Galway Downs underscores its significance as a versatile facility contributing to the regional economy in Temecula, California. Hosting a diverse range of events, including equestrian activities, amateur sports, and weddings, Galway Downs plays a pivotal role in generating direct non-resident expenditures, fostering economic growth within the area.

This study reveals that in 2022, events held at Galway Downs yielded a combined impact of approximately $103 million in direct non-resident expenditures. This influx of visitor spending was distributed across various sectors throughout Temecula Valley, most notably in Arts, Entertainment, and Recreation.

While Galway Downs' equestrian events are the most publicly prominent, the cumulative economic impact of amateur sporting events outpaced them, if only marginally. The larger participant base of sporting events, accounting for 64% of total person-nights, contributed to this outcome, despite equestrian participants displaying higher average spending per-person per-night.

The tangible results of this study extend to the workforce and tax revenues as well. In 2022, earnings attributed to event-related travel activities reached $34.3 million, while 707 jobs were supported in the Temecula Valley. Moreover, visitor spending generated $3.3 million in local (city and county) tax revenues and $2.6 million in state tax revenues.

Considering just the 81% of spending attributed to traditional visitor spending (with the remainder coming from event registration fees and field and wedding facility rentals), we estimate that the visitors drawn by Galway Downs' event activities contributed to roughly 8% of all direct visitor spending in the region. This signifies the substantial role Galway Downs plays in contributing to the overall economic vitality of Temecula Valley.

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Appendix

Comparable Studies, Detailed

Table 7. Usage and Insights from review of Comparable Studies

Study	Usage	Insights
HCBC	Distance Traveled	Respondents participated in an average of 6.5-6.6 events per year and traveled an average distance of 1,335-1506 kilometers to attend.
Camaraota	Makeup of Economic Contribution of Equestrian Industry	Of the total production value of equestrian activities in Sonoma County in 1999, 33 percent corresponds to the value of intermediate goods, i.e., goods and services acquired from production sectors other than the equestrian sector. Among these are feed and food supplements, pastures, utilities and so on. The remaining 67 percent is value added by the equestrian sector itself in the form of hired and family labor, used capital, government services to the sector, and entrepreneurship of household and commercial operators. Of the intermediate goods, "Show Fees & Related Services" makes up the highest spending of all categories, followed by "Feed Supplies" and "Clothing and Tacks."
Camaraota	Impact Multiplier	Spending multiplier of 1.6 used for equestrian industry in Sonoma County in 1999
Conners	Makeup of Equine Owner Expenses	Maintenance of Horses: 53.4%; Horse Activities: 18.5%; Investments: 11.6%; Maintenance of facilities: 10.3%; Labor: 6.2%. Median Annual Expense Per Owner: $7,300
Conners	Impact Multiplier	GDP multiplier of 1.5 and employment multiplier of 1.6 used for equine industry for state of Indiana in 2010
Stronge	Economic Impact Inputs	The Winter Equestrian Festival (WEF) typically lasts 12 weeks. Based on surveying, the following metrics were established for WEF participants: Average party size: 2.7 persons; Average length of stay: 66 nights; Average total expenditure: $20,208; Breakout of expenditure by commodity: Accommodations: 43.1%, Dining & Groceries: 27.4%, Shopping: 8.5%, Entertainment & Rec + Local Transportation + Other: 7%; Average lodging expenditure per person per night: $77.81;

Study	Usage	Insights
Griggs	Economic Impact Inputs	American Quarter Horse Association (AQHA) devised the following equation to help local organizations estimate the impact of an equestrian event: the number of horses x 2.5 people x number of event days x $140.00 per day x 4 equals the economic impact. In the AQHA equation, the organization assumes there will be 2.5 people either accompanying or attending the show per horse per day, the average spending is $140.00 per day, and finally the last figure "4" represents the multiplier effect..
Griggs	Economic Impact Inputs	Griggs estimates the following direct expenditures per day for a generic equestrian event in New York in 2005: $25 in retail sales, $70 in lodging, $60 in food and drink, and $25 for entrance fees to the event. This amounts to an expenditure of $180 per person per day to attend an event at the equestrian center. This represents a figure that is slightly more than the AQHA's estimate of $140 per day. Grigg estimates a spending multiplier of 1.4 rather than AQHA's multiplier of 4. Consequently, according to Griggs, the AQHA total spending impact is 106% too high.
Sfeir	Makeup of Equine Owner Expenses	Board per horse per month: $742; Additional suppliers per horse per month: $257; Horse-related equipment per horse per month: $141; Horse care per year: $3,331; Trainer and grooming per month: $497
Sfeir	Economic Impact Inputs	Economic Impact of Equine Boarders in San Juan Capistrano in 2015: Board & Leasing: 36%; Supplies & Equipment: 18%; Meals, Groceries, and Shopping: 29%; Trainer & Grooming: 16%
Sfeir	Economic Impact Inputs	57.6% of horse show competitors are residents of Orange County (within 50 miles). Only 9% of competitors came from out of state for a show.
Sfeir	Economic Impact Inputs	Economic Impact of Horse Shows in San Juan Capistrano in 2015: All Horse Needs: 67%; Meals, Accommodations, and Groceries: 16%; All Other Expenditures: 17%
Sfeir	Economic Impact Inputs	Economic Impact by Type of Activity in San Juan Capistrano in 2015: Boarders: 76% ($38.3M); Horse Show Competitions: 24% ($11.8M)
TE	Economic Impact Inputs	Impacts of Rancho Mission Viejo Riding Park, involving approximately 7,500 horses at 16 week-long events in 2021. Direct impacts: $62.7M spending; 576 jobs; $22.0M personal income; $15.6M taxes (federal, state, and local).
TE	Economic Impact Inputs	Spending multiplier: 1.7; Employment multiplier: 1.4; Local & state taxes multiplier: 1.4

Temecula Valley Economic Impacts

In this report, Temecula Valley is defined as the City of Temecula and the surrounding wine district (zip codes 92950-92952, 92562-92563). This was done so that the economic impacts of Galway Downs might be compared to the publicly available report, *2022 Economic Impact of Travel to Temecula Valley*, which also uses this geographic definition.

In the 2022 Economic Impact of Travel to Temecula Valley, DRA assessed the annual economic impact of travel to Temecula Valley, arriving at a figure of $999.7 million. Notably, travel-related spending in Temecula Valley has demonstrated robust growth, averaging 4.7% annually since 2013. This growth rate significantly surpasses the overall travel industry growth rate in California, which has seen an average yearly increase of approximately 2.1% during the same period. Examining the growth between 2013 and 2019 (prior to the downturn caused by the COVID-19 pandemic), Temecula's travel economy experienced remarkable expansion at 9.3% annually, while California's travel economy grew at a comparatively lower rate of 4.4% annually.

Table 8. Travel Impacts of Temecula Valley

							Avg. Annual % Change	
	2013	**2018**	**2019**	**2020**	**2021**	**2022**	**2013-2019**	**2013-2021**
Spending ($Million)								
Total (Current $)	658.9	1061.8	1125.1	520.3	683.8	999.7	9.3%	4.7%
Earnings ($Million)								
Earnings (Current $)	194.6	292.5	310.0	224.0	282.6	345.3	8.1%	6.6%
Employment (Jobs)								
Employment	6,876	8,850	9,150	6,430	7,830	9,160	4.9%	3.2%
Tax Revenue ($Million)								
Total (Current $)	28.8	44.1	47.4	24.6	32.2	43.0	8.7%	4.6%
Local	6.6	10.9	11.8	6.8	11.4	14.1	10.1%	8.7%
State	22.2	33.1	35.6	17.8	20.7	28.9	8.2%	3.0%

Galway Downs Direct Economic Impact Graphs

Figure 19. Direct Earnings by Commodity Type

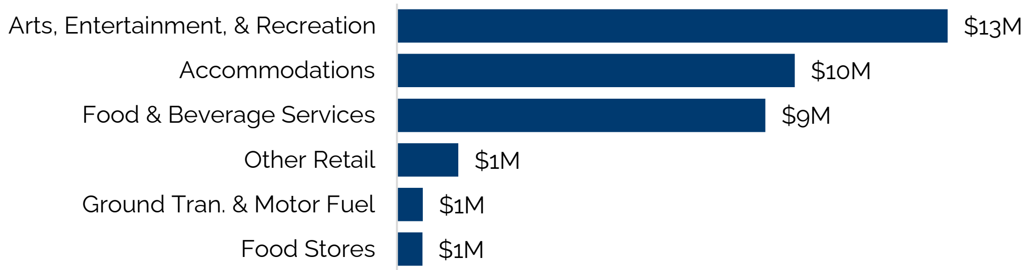

Figure 20. Direct Employment by Commodity Type

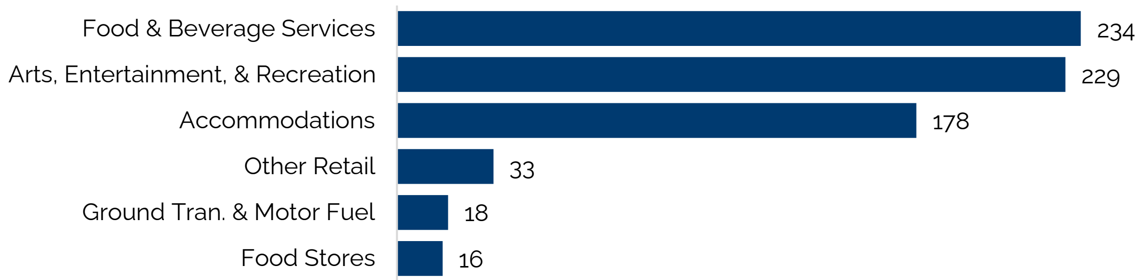

Figure 21. Direct Taxes

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