

May 2006

EDR 06-07



Economic Development Report

Colorado
State
University

Extension

Department of Agricultural and Resource Economics, Fort Collins, CO 80523-1172
<http://dare.colostate.edu/pubs>

TOURISTS' VALUE OF ROUTT COUNTY'S WORKING LANDSCAPE, 2005: SUMMARY REPORT

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Introduction

The purpose of this study is to estimate the support for open lands preservation and the contribution of Routt County's working landscapes to the local summer tourism industry. This summary report explains the type of tourist that visits the Steamboat Springs area during the summer months. The characteristics of the respondents' trips to the Steamboat Springs area are examined, specifically the type of activities tourists partake in, how far they travel to Steamboat Springs and how much they spend within the Steamboat Springs area economy. Tourists' behavior contingent on potential urban development in the Steamboat Springs area is analyzed. Further, the impact to Routt County's economy will be analyzed. A similar study was conducted during the summer of 1993; therefore, the results across the two studies will be compared. Lastly, tourists' attitudes toward natural and man-made assets provided within Routt County are discussed. For the interested reader, a more detailed discussion of this study

can be found at the website indicated in the footnote below.

Tourist Demographics

Of the 420 survey respondents, 53% were male and 47% were female, while in 1993, 48% of the respondents were male and 52% were female. The mean age of a Routt County tourist was approximately 45 years old (mean in 1993 = 43 years). The mean level of educational attainment of Routt County tourists is a 4-yr college degree, with 75% of respondents having earned at least a bachelor's degree. The majority of the respondents are employed outside the home (80.6%), while 6.6% of the respondents work in their home, 10.8% are retired and 2.1% are unemployed. The mean and median number of people per household employed outside the home during 2004 is 1.7 and 2, respectively, typical of a U.S. household. The mean annual household income range was \$100,000 to \$129,999 in 2005 and \$40,000 to \$59,999 in 1993 (Note: 1993

- 1 The authors would like to acknowledge the financial support of the Steamboat Ski and Resort Corporation, City of Steamboat Springs, Colorado Conservation Trust, the County Commissioners of Routt County, and Colorado State University Cooperative Extension (Routt County and campus), without which this study would not have been possible. All errors remain unintentional and our response ability.
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results were adjusted to 2005 dollar values). In 2005, almost 15% of the total respondents earn over \$300,000 a year, while 18% earn less than \$60,000 per year. The vast majority of the Routt County 2005 summer tourists reside in the United States, while 1.2% resides in foreign countries. Nearly half of the respondents reside in Colorado for both the 1993 (44.5%) and 2005 (45.8%) summer seasons. Of the 45.8% of the 2005 respondents from Colorado, over 75% reside in the Front Range area.

Tourists' Trip Characteristics

Trip Length

Visitors to the Steamboat Springs area expect to stay an average of about 11 days and take 2.7 trips per year. Therefore, the average summer tourist trip to Routt County is about 4 days. On average, a Routt County tourist traveled approximate 857 miles (812 miles in 1993) and about 6.5 hrs travel time one way for their current trip to the Steamboat Springs area. In 1993, tourists stated they would travel 563 miles (one-way) while 2005 tourists stated they would travel 999 miles (one-way) to another resort area with scenery comparable to the existing ranch lands around Steamboat Springs. In addition, 90% of the 2005 respondents stated that their current trip to the Steamboat Springs area was the sole purpose of their travel.

Trip Activities

Summer tourists to Routt County most frequently partake in hiking and active walking. Approximately half of the respondents shop, sightsee/practice photography or drive for pleasure. Respondents state that wildlife viewing, fishing, bicycling or picnicking are among the primary summer activities for 20-40% of tourists. While only 9.8% of the 2005 respondents stated that a ranch visit was a primary activity during their most recent trip to the Steamboat Springs area, 43.9% (30.7% in 1993) stated they had visited a western ranch at some time.

Trip Expenditures

Tourists' trip expenditures were in the following categories, in descending rank order: lodging, food and drink, transportation, entertainment and other expenditures. Of the total trip expenditure, the mean and median percentage of expenditures spent within Routt County is 83.3% and 92.7%, respectively. A tourist spends an average of \$177 per day to vacation in Routt County, with approximately \$153 spent per day in

Steamboat Springs' local economy. In 1993, a tourist spent an average of \$88 per day, adjusted to 2005 dollars.

Tourists' Sensitivity to Change

Respondents were asked how they would change the length of their trip to the Steamboat Springs area if the cost of traveling increased, for example, due to an increase in gasoline prices or hotel rates by a given bid amount. The mean willingness to absorb additional costs under current conditions is \$122.57 per visitor, which represents \$17,936,337 of additional value in a Routt County vacation.

What if valuable features of Routt County tourism change? Will tourists stay more or less days, spend more or less money locally? Respondents were asked how their trip length and trip expenditures might change contingent on if existing ranch lands around Steamboat Springs had changed to urban uses. In the 1993 survey of Routt County visitors, Rosenberger and Loomis (1999) found that 25% of the sample would reduce visitation while 23% of the sample would increase visitation if ranch open space in the Steamboat Springs area were converted to urban and resort uses. The 2005 results show that approximately 50% of the respondents would reduce both their expenditures and number of days spent in the Steamboat Springs area while less than 1% of the respondents would increase expenditures and visitation if existing ranch lands were converted to urban uses. The average trip would be reduced by approximately 2.3 days and the average reduction in expenditures would be approximately \$100 per person per day. On average, about \$230 per person per trip would not be spent in the Steamboat Springs area due to the conversion of existing ranch lands to urban uses.

Based on estimate from the Steamboat Springs Chamber of Commerce and Colorado State Parks, approximately 291,891 tourists visit Routt County during the summer months (Evans Hall, 2006; Colorado State Parks, 2005). Since 54.7% of the survey respondents stated they would reduce their trip expenditures to Steamboat if existing ranch lands were converted to urban uses, which can be extrapolated to 159,664 tourists changing their trip behavior based on this land conversion. Therefore, the estimated loss of summer tourist revenue due to the development of ranch open space is \$36,373,940 per year. Since approximately 92.7% of

tourists' expenditures are spent locally, \$36 million in direct annual tourist revenue would be lost from Routt County's economy.

Impact to Routt County's Economy

In order to estimate what would occur to the regional economy if ranch lands were converted, the annual reduction of \$36,373,940 in summer tourist spending was incorporated into a regional model. The model was developed based on the percentages of expenditures for each category as stated by the respondents in the survey. It was estimated that tourists locally spend 9.7% of their expenditures on transportation, 46.6% on lodging (including hotels and camping), 35.0% on food and drink and 8.7% on entertainment activities. These percentages were applied to the \$36.4 million which resulted in reductions of spending as follows: \$3,531,450 for transportation, \$13,052,241 for hotel lodging, \$3,898,721 for camping, \$12,713,222 for food and drink and \$3,178,305 for entertainment activities if ranch lands were converted to urban uses. In addition, it is important to take into account the loss in agricultural activity due to the conversion of rangeland into urban uses. Based on the survey design, it is assumed that all agricultural activity will be lost in Routt County with this conversion. The hay and pasture sector (\$10,030,000), the range fed cattle sector (\$9,810,000) and the ranch fed cattle sector (\$8,870,000) will represent the associated agricultural activity with Routt County's rangelands. Therefore, the level of agricultural activity will be reduced to zero with the evaluation of impacts to the region if existing rangelands were converted to urban uses.

The top five industries to be most negatively impacted with the number of jobs contingent on if rangelands were converted to urban uses are eating and drinking establishments, hay and pasture, hotels and lodging places, range fed cattle and ranch fed cattle. There would be a loss of 1,673 jobs within Routt County, if rangelands were converted into urban uses. Similar to the employment impacts, the top five industries with the largest negative industry output impacts are eating and drinking establishments, hotels and lodging places, range fed cattle, hay and pasture and ranch fed cattle. Routt County's regional economy would experience a negative economic impact totaling \$96.1 million if rangelands were converted into urban uses.

It is important to note that when lands are converted away from agricultural uses, they are converted into other uses, such as residential or commercial develop-

ment, which will have the potential to bring in additional income and jobs into Routt County's local economy. However, it is undetermined what uses the land will be converted into and whether their positive impacts to the local economy will outweigh the negative impacts to the local economy resulting from the loss of agricultural land.

Attitudes toward Routt County's Natural & Man-made Assets

The natural environment is rated as the asset that most strongly adds to the tourists' experience in the Steamboat Springs area. Ranch open space, western historical preservation and recreation amenities, in rank order, are local assets that strongly add to the tourists' experience. Community services followed by urban development also contribute to the tourists' enjoyment of their trip to the Steamboat Springs area.

Respondents were asked to weigh various reasons for preserving ranch open space within Routt County. Specifically, the respondent was asked to allocate a percentage of their total annual value towards each of the seven given reasons where their total must sum to 100 percent. Although there was equal weighting across categories, the highest value was placed on the protection of working ranches for conserving soil, water, wildlife, and western cultural heritage (15.8%).

Summary & Conclusions

The average Routt County summer tourist is a 45-year-old male with a college degree and an annual household income ranging from \$100,000 to \$129,999. The majority of tourists are United States residents, half from within the state of Colorado.

Tourists stated that the natural environment, ranch open space, western historical preservation and recreation amenities strongly contribute to their trip experience in the Steamboat Springs area. Community services and urban development are the lowest rated amenities. Of the reasons for protecting ranch open space in Routt County, the highest value was placed on protection of working ranches.

Visitors to the Steamboat Springs area expected to stay an average of approximately four days per trip and take almost 3 trips during 2005. Respondents spend six and half hours traveling almost 860 miles one way to Steamboat Springs. While in the Steamboat Springs area, the majority of tourists hike or

walk, shop, sightsee or take photographs, or drive for pleasure as their primary summer activities. The typical visitor spends an average of \$153 per day in the local economy with the majority of the expenditure attributed to lodging and food and drink expenses. The summer tourist today visiting Steamboat Springs is traveling from greater distances and spending about twice the amount in daily expenditures than that of a tourist twelve years prior.

If the cost of traveling were to increase, regardless of development on existing ranch lands, respondents would reduce the length of their trip to the Steamboat Springs area. However, if ranch lands were to be converted to urban uses, half of the respondents stated they would reduce their expenditure level by \$99 per person per day and reduce their trip length by approximately three days. Compared to the 1993 summer survey results, support for preserving ranch open space in Routt County has increased from 25% to 50% of tourists stating they would reduce their travel to the Steamboat area if ranch open space were converted to urban uses. This proves to imply large potential losses to the Steamboat Springs area economy, equating approximately \$36 million, annually, in loss of direct sales. Further, if ranchlands were

converted to urban uses, Routt County would experience a loss of 1,673 jobs. Therefore, for policy analysis, the values of natural amenities, such as ranchland open space, need to be taken into serious consideration.

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