WINTER TOURISM AND LAND DEVELOPMENT IN GUNNISON, COLORADO:
EXECUTIVE SUMMARY

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• Tourism directly accounts for 1/3 of the Gunnison County economy and 40% of the job base

• Gunnison’s public open space and private working landscapes contribute to the quality of winter tourism experience

• Wholesale conversion of local ranch lands to tourism infrastructure and second homes may reduce winter tourism by as much as 40%

• The impact of such a change could reach $14 million and 350 jobs per year

Overview

Current Gunnison County landowners and leaders face a decision regarding the potentially irreversible intensification of private land use in the county. At the crux of the issue is whether the private decision to convert agricultural lands into higher intensity land uses and built infrastructure is in the best interests of the county at large. Whether more tourism services at the loss of working farms and ranches and a more open landscape would result in more or less economic development and an improved or deteriorated quality of life in Gunnison County remains a central and open question.

The purpose of this study is to measure the economic benefit of ranch open space to winter tourism. Ranching and ranch lands clearly and directly contribute to demand for Gunnison County vacations in the summer, but it is somewhat less clear what contribution the county’s working landscapes provide for winter ski tourists. Winter tourists do not often directly use private farm and ranch lands. But private lands may provide important winter habitat for wildlife that tourists value for passive use (viewing) or existence value, may contribute to the overall atmosphere in the Gunnison Valley, and may provide a desirable viewscape that is attractive (adds value) to the winter tourism experience.

Our approach is two-fold: First, visitors reveal their preferences for winter tourism in Gunnison County through expenditure behavior observed in actual visits and the travel costs associated with these visits; In addition, visitors to Gunnison County are asked to state their preferences and intention to pay to vacation in Gunnison County contingent on changes in the quality and quantity of extant ranch landscape.

Data Collection Methods

All data were collected via written surveys. The final survey consisted of four sections: 1) Features of Gunnison County that may attract visitors; 2) Actual

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1 The full study report (EDR 04-09) can be found at http://dare.agsci.colostate.edu/pubs under Economic Development.

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Extension programs are available to all without discrimination.
participation in outdoor recreation activities, trip
expenditures and travel group characteristics; 3) Pre-
dicted response to potential changes in the Gunnison
County landscape; And 4) demographic information.

Surveys were completed in and around the towns of
Gunnison, Crested Butte, and Mount Crested Butte,
Colorado. The overwhelming majority of surveys were
completed on the premises of the Crested Butte Moun-
tain Resort located in Mt. Crested Butte, CO. The sur-
veys were conducted by personal interview by Colo-
rado State University graduate students and Western
State College undergraduate students between March
9, 2003 and March 15, 2003. The survey can be classi-
fied as a stratified random sample—it represents a ran-
dom group, from all socioeconomic classes and it
excludes Gunnison County residents.

Respondent’s willingness to pay for Gunnison County
vacations contingent on rising travel costs was then
computed. Respondents were asked whether they
would still visit in Gunnison County if their travel
costs increased by a specified amount of money and
bid amounts were randomized throughout the entire
survey population. Respondent’s willingness to visit
Gunnison County contingent on higher percentages of
developed ranch land was also obtained by asking
whether the respondent would still visit, knowing that
there was less ranch open space. Visitors were asked if
they would still visit if 25%, 50%, 75%, or all ranch
lands were converted to higher density residential and
commercial development and by how many days they
would change their visit.

Results

• There are two intriguing demographic facts about
the sample: 74.6% of respondents completed a four-
year college degree or higher; and 51.7% of respon-
dents earn over $100,000 annually.
• Features of the natural landscape are the most
important criteria in the choice of Gunnison County
for a vacation destination. Tourism infrastructure
features rank second in importance, followed by
social and cultural aspects of Gunnison County and
farm and ranch attributes of the landscape.
• In our sample, 91.7% of respondents participated in
alpine skiing or snowboarding, 41.8% participated
in sightseeing/photography, 29.3% drove for pleas-
ure, 23.7% hiked, and 20.7% viewed wildlife on
their Gunnison County vacation, all of which are
dependent on the scenic beauty of the area whether
on public or private land.
• Tourists spent an average of $1550 on their vacation
in within Gunnison County, but a substantially lower
median of $1250. A sum of just under $500,000 was
spent in Gunnison County by our sample of 313
respondents. A majority (59%) of those surveyed
spent a mean of $825 on lodging in Gunnison
County; this means that most Gunnison County visi-
tors are destination tourists. A large proportion
(80%) of people surveyed spent money on ski passes
during their time in Gunnison County with a mean
response of $340. Answers ranged from $39 for the
single, one-day user, to $2000 for the family that
stayed for the week. Many visitors (81%) visited
restaurants and bars while in Gunnison County,
spending a mean amount of $313.
• Total travel expenditures had a mean of just under
$2,000 and a median of $1,600 A majority (61%) of
respondents spent a mean amount of $121 on gaso-
line and other auto-related expenses. Approximately
one-third (30%) of respondents chose airlines as
their preferred mode of travel, spending a mean of
$880 and a median of $600 on airline tickets, imply-
ing Gunnison County attracts people from just across
county lines to people from across oceans.
• The mean time spent in Gunnison County is 5.47
days. The mean one-way travel time to Gunnison
County is 11.8 hours in transit. The mean one-way
travel distance to Gunnison County is 1085.5 miles
and approximately 66% of visitors to Gunnison
County comes from within 1000-1200 miles away.
The mean response for the distance to the next best
recreation area if Gunnison County were not avail-
able is 508.9 miles.
• Asked if all Gunnison farms and ranches were con-
verted to higher density development (condos,
resorts, etc.) would affect future visits, more than
half (58.4%) say they would decrease their visits to
Gunnison County. Essentially, nearly 60% of re-
pondents would not come to Gunnison County if all
farm and ranch lands were developed. Nearly 4 out
of 10 (39.5%) say the development would have no
impact on their visitation, and a small minority
(2.1%) would be attracted to such changes.
• Respondents were sensitive to the degree of ranch
land conversion. A majority (54.3%) chose the most
sensitive ranchland conversion option (25%) to
begin to change their visitation choice. The over-
whelming majority (97.2%) indicating that their
choice of Gunnison County for their winter recrea-
tion experience is highly sensitive to its current, rela-
tively undeveloped and open, rural and agricultural
characteristics.
Our survey indicates that the decline in open space will lead to a 42% decrease in skier days to Crested Butte Mountain Resort, from a level of 342,416 to 197,913, a loss of 144,503 total skier days.

Average spending per skier day are found in the following categories: Eating and Drinking Establishments ($3.67), Food Stores ($5.95), Amusement and Recreation Services ($40.99) (includes ski lift tickets, snowmobile outfitters, etc.), Gas/Service Stations ($2.55), Hotels and Lodging ($15.35), and Miscellaneous Retail Merchandise ($4.00).

The output multipliers for most of the directly affected industries range between 1.2 and 1.4, which indicates that $200,000-$400,000 in additional income is lost in Gunnison County for each million dollars of direct export sales.

The direct estimated loss to the Gunnison County economy due to the conversion of ranch working landscapes to tourism infrastructure or second homes due to the predicted loss in skier days is $10.5 million. Including multipliers, the total anticipated economic loss is about $14.6 million.

The employment estimated employment loss that will result from the open space development is estimated to be between 350 jobs.

Almost 2/3 of the adverse economic impact will be felt in the Amusement and Recreation services sector, Hotels and Lodging places and in the Food stores sector.

Conclusion
The purpose of this study is to investigate whether winter tourists value ranch open space even if they do not directly use it for recreation. The econometric results show that winter tourists do value private ranch lands, even in the presence of substantial public open space, and that they would decrease their visitation were all ranch open space converted to residential and commercial tourism infrastructure. This decrease in visitation is shown to have substantial and potentially serious impacts that span across the much of the Gunnison County local economy. Our estimates indicate that this effect is on the order of $14.5 million and 350 jobs per year.

It is important for a rural area with a wealth of natural amenities, like Gunnison County, to understand the potential economic and ecological tradeoffs between preservation and development when evaluating how to address community objectives with regard to economic development and welfare. In many cases, the tradeoff in question is not “jobs OR the environment,” rather it is “jobs AND the environment.” The natural landscape is a major factor that draws both residents and visitors, and therefore exports, to Gunnison County, and it is imperative to discover how to find an amicable solution among the potentially competing land uses. Economic information such as is provided in this study can help to inform local decision making regarding the potential implications of their public and private land use decisions and development strategies.

It should be clarified that this analysis reflects the anticipated changes in visitation to Gunnison County due to a change in open space given the current profile of visitors. The analysis does not take into account potential influences on winter tourism visitation to the county such as weather, income change, population change, or the effects of potential changes in substitute sites, for example. As such, this analysis should not be considered a cost-benefit analysis of economic development alternatives. It can be expected, perhaps, that appealing to a different cadre of ski tourists might mitigate these effects were the built tourism infrastructure to be increased. However, whether or not this is true is beyond the scope of this analysis.

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