



Economic Impacts of National Monument Designation

Rio Grande del Norte, New Mexico



FINAL REPORT

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Rio Grande del Norte, New Mexico

Prepared for

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Table of Contents

Executive Summary	1
Background and Methodology	4
Study Area	7
Current Visitation and Local Spending	9
Spending Flow Model	13
Total Economic Impacts— Annual Operations and Visitation	14
National Monument Designation.....	16
Other Economic Impacts	20
Appendix A. Economic Impact Detail	1

The current operation and visitor spending associated with the Rio Grande del Norte area (RGDN) in Taos and Rio Arriba Counties, New Mexico provides substantial benefit to the local economy and generates tax revenue for local governments. Local elected officials and stakeholders are recommending RGDN for national monument designation, which we think could increase its economic benefits to the region after designation.

The study involves identifying current operational characteristics of RGDN and the projected economic and fiscal impacts associated with its designation as a national monument.

RGDN is located about 10 miles northwest of the Town of Taos and Taos Pueblo in northern New Mexico. It includes portions of Taos and Rio Arriba Counties, and it borders Colorado to the north. The proposed Monument includes the Rio Grande River Gorge, a stretch of the Rio Grande designated as a Wild & Scenic River in 1968. In addition, the area includes several ancient volcanic cones that rise from the valley floor, including Cerro del Yuta (Ute Mountain). The Taos Field Office of the U. S. Bureau of Land Management currently manages the 236,000 acres in the proposed Monument for multiple uses, including recreation and grazing.

Changing the designation of public land is expected to have a significant effect on the local or regional economy. A public land designation, such as a national monument, may signal enhanced quality of a potential visitor experience, substantially increasing visitation. Changes in visitation and tourism expenditures are especially important in rural areas where people may be particularly reliant on income derived from tourism.

BBC estimated direct spending by visitors to RGDN and used well-known economic modeling techniques involving IMPLAN multipliers to calculate the secondary (induced and indirect)

economic benefits. The economic benefits are expressed in the employment and economic output supported by RGDN operations and out-of-region visitor spending. Economic output is generally synonymous with economic activity or consumption.

BBC quantified current annual economic impacts of RGDN visitation and the direct spending and estimated post-designation economic impacts. Post-designation economic impacts were informed by observed visitation growth at comparable benchmark national monuments applied to current visitor spending patterns.

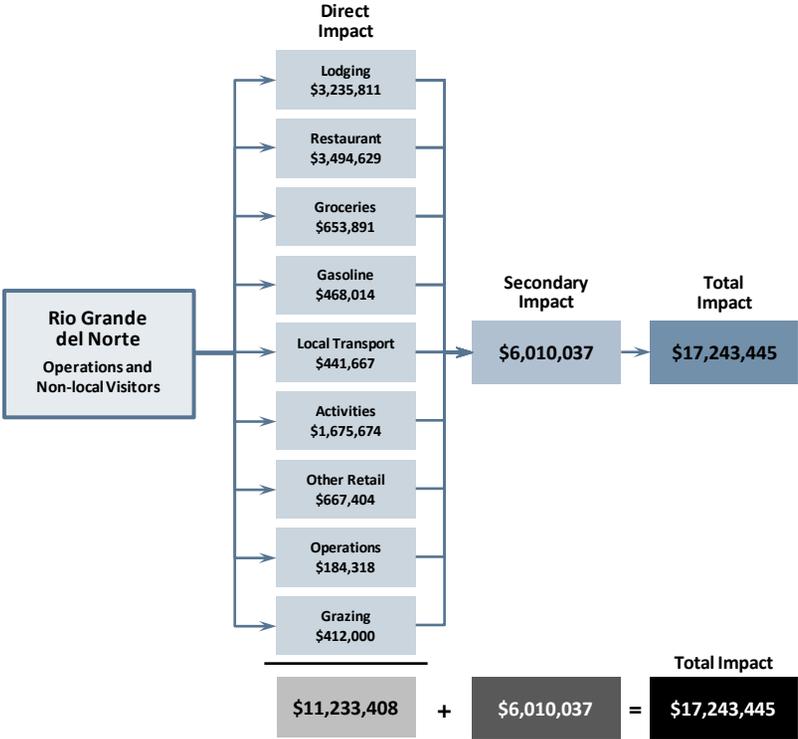
As shown in Figure 1 on the following page, RGDN currently has a total annual economic impact of about \$17.2 million per year, including direct and secondary impacts.

Figure 2 presents the expected economic impact of the proposed RGDN National Monument following designation. As shown in Figure 2, the expected annual economic impacts of National Monument designation could reach \$32.2 million, which represents an increase of approximately \$15 million in regional economic activity.

Figure 3 on page 3 shows the employment impacts associated with current operations and visitor spending at RGDN. Economic activity generated by RGDN operations and visitation supports an estimated 312 jobs per year in Rio Arriba and Taos Counties, as shown in Figure 3.

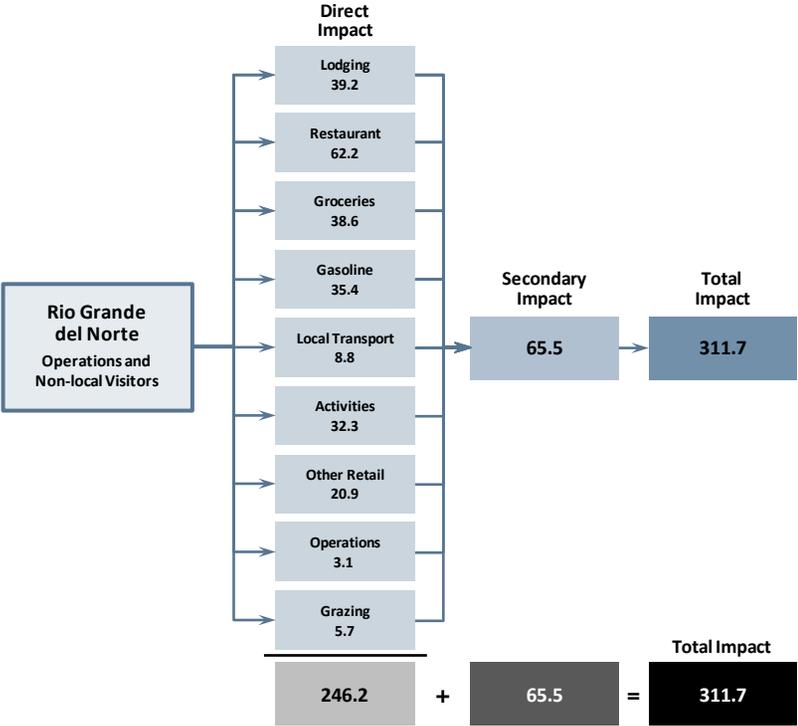
Figure 4 on page 3 presents the projected employment impacts associated with national monument designation. Following Monument designation, employment supported would be expected to increase to about 591 jobs, an increase of 279 jobs.

Figure 1.
Rio Grande del Norte, Current Total Annual Economic Impact, Rio Arriba and Taos County Region



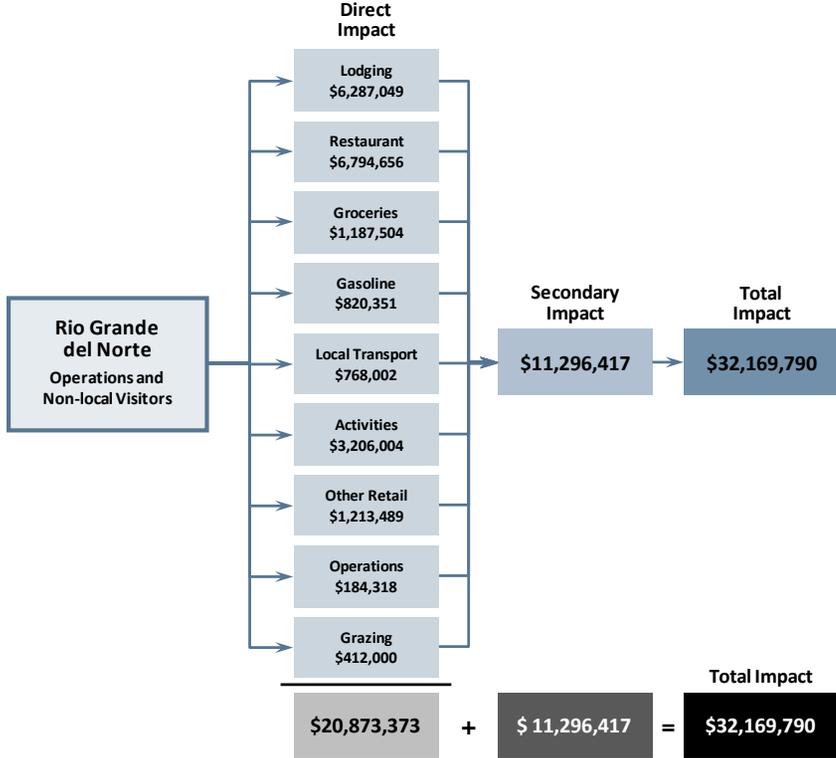
Note: Direct Expenditures reported net of taxes (sales, lodging and excise).
 Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

Figure 2.
Rio Grande del Norte, Total Annual Employment Impact, Rio Arriba and Taos County Region



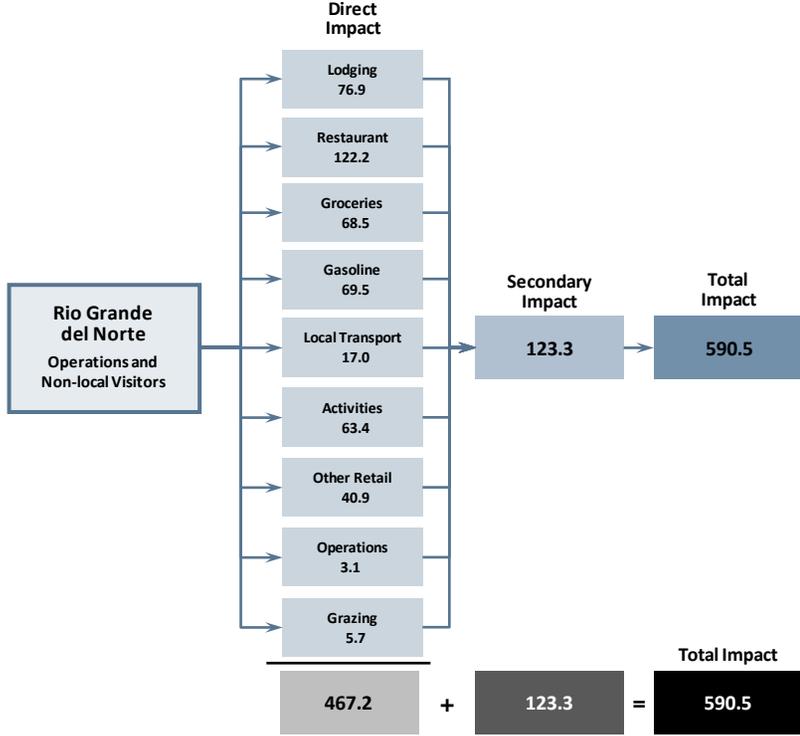
Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

Figure 3.
Post-Monument Designation Total Annual Economic Impact—
Output



Note: Direct Expenditures reported net of taxes (sales, lodging and excise).
 Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

Figure 4.
Post-Monument Designation Total Annual Economic Impact—
Employment



Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System

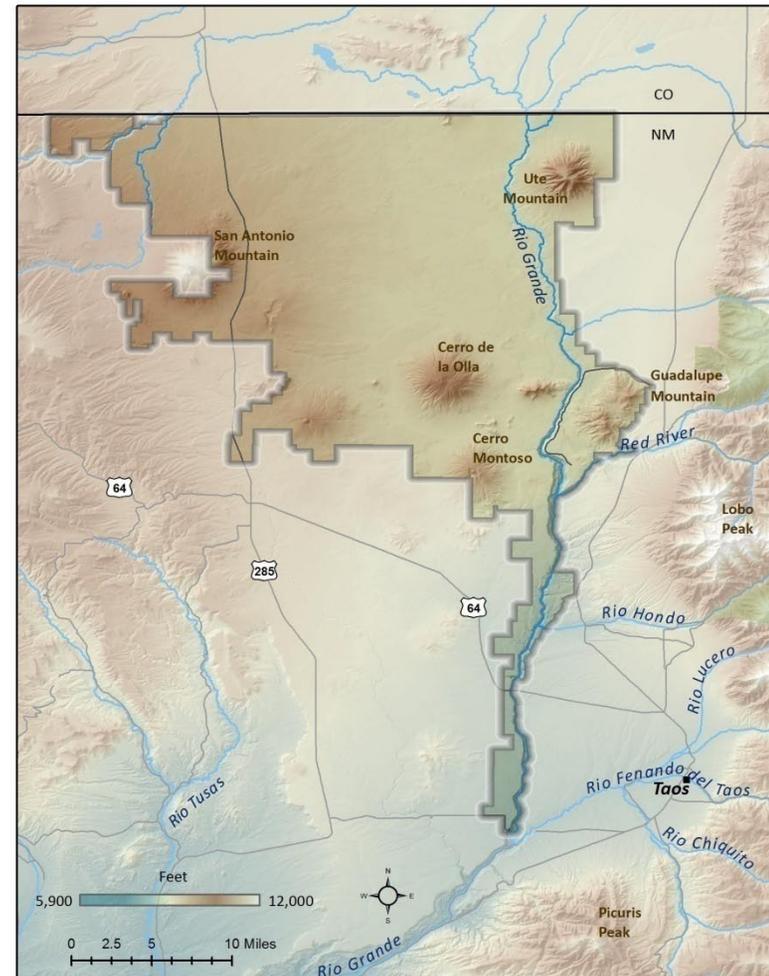
Background

The proposed Rio Grande del Norte National Monument (Monument) is located less than 30 miles northwest of the Town of Taos and Taos Pueblo in northern New Mexico. It includes portions of Taos and Rio Arriba Counties, and it borders Colorado to the north. The proposed Monument includes the Rio Grande River Gorge, a stretch of the Rio Grande designated as a Wild & Scenic River in 1968. In addition, the area includes several ancient volcanic cones that rise from the valley floor, including Cerro del Yuta (Ute Mountain).

The Taos Field Office of the U. S. Bureau of Land Management currently manages the 236,000 acres in the proposed Monument for multiple uses, including recreation and grazing. Proposed authorizing legislation for a National Conservation Area (H.R. 1241, the Rio Grande del Norte National Conservation Area Establishment Act) would also create two Wilderness Areas within the proposed Monument.

Figure 3 presents a map of the location of the proposed Rio Grande del Norte National Monument.

Figure 3.
Proposed Rio Grande del Norte National Monument



Source: New Mexico Wilderness Alliance, 2011.

The area of the proposed Monument currently attracts visitors for boating, hunting, fishing, hiking, camping, horseback riding, wildlife viewing and other recreational activities. Grazing and gathering also occur on the land, although much of the area is remote and rarely visited.

The Rio Grande River is a major attraction in the proposed Monument area. The Rio Grande Gorge is a top white-water boating destination and includes the Box, an 18-mile scenic stretch of river along the cliffs of the Gorge. The area also attracts climbers and hikers for its dramatic cliffs and walls.

Wildlife benefits from the relative remoteness of the region and the current administrative rules regarding uses and access to the area. The Rio Grande River supports a migratory flyway for many important bird species, including golden and bald eagles, falcons and rare sandhill cranes. Big game species include, mule deer, wild turkey, bears, elk, bighorn sheep, and antelope also live in the area.

The upper Rio Grande River basin is the cultural and ecological lifeblood of northern New Mexico and southern Colorado. The health and viability of this unique high desert watershed was, is and always will be the key component to the survival of the region's diverse fish, wildlife, and human communities. Taos Pueblo lands border the proposed RGDN Monument to the southwest, and the archaeological record supports at least 11,000 years of human occupation including Ancestral and Historic Pueblo traditions, Colonial Spanish, Mexican, and other Native American groups. There is a strong cultural tie between local and regional communities past and present to the RGDN region.

Monument Designation Efforts

In response, there are several ongoing initiatives at the federal level to further protect the RGDN. The Rio Grande del Norte Conservation Area Establishment Act (Senate bill 874 of the 111th Congress) was first introduced in the U.S. Congress by New Mexico Senator Jeff Bingaman in April 2009. The bill died in committee in 2010, and was re-introduced in 2011 as S. 667 (112th). New Mexico Senator Tom Udall cosponsored the legislation. A companion bill (House bill 5334 of the 111th Congress) was introduced by New Mexico Representative Ben Ray Luján in 2010, and it was reintroduced in 2011 as H.R. 1241 (112th). The bill was cosponsored by New Mexico Representative Martin Heinrich. These bills would not specifically establish a national monument, but would expand federal protection for the area. Both the Senate and House versions of the bill remain in committee as of the date of this report.

If established as a national monument, the designation would ensure the preservation and protection of the cultural, historic, natural, educational and scenic resources of the Rio Grande Gorge, Ute Mountain and adjacent land. It would provide for recreation and public interpretation consistent with the protection of such resources.

The Antiquities Act of 1906 grants the President of The United States the authority to proclaim, by executive order, "historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest" as national monuments, ensuring their protection.

The purpose of this report is to provide interested parties with information about the current characteristics of the Rio Grande

del Norte area and the projected economic and fiscal impacts associated with its designation as a national monument.

Methodology

Critical factors influencing economic impact include the number of visitors, mode of accommodations and the amount and pattern of their expenditures. This analysis distinguishes between non-local visitation (outside money to the local economy) and local visitation.¹

Non-local visitation and spending is considered a basic economic contribution and serves as the foundation for local economic and fiscal stimulation. Non-primary visitors (those non-local visitors who visit the proposed monument area as the secondary reason for being in the area) are also included with non-local visitors to examine economic impact.

Local visitation and spending is held constant in this analysis under the assumption that the additional attention garnered by a national monument designation would not substantially alter the visitation habits of local residents. Spending associated with grazing activities are also held constant in this analysis as we would not expect monument designation to impact grazing on the proposed monument.

Although it is likely that a larger operating budget and periodic capital investment would result from monument designation, operational expenditures for the proposed monument are held constant. BBC was not able to project appropriate increases in

¹ For the purpose of this analysis, local visitors are defined as those that travel less than 50 miles to the RGDN area. This includes residents of the Taos area of Rio Arriba and Taos Counties.

Federal spending or capital investment in RGDN because little information was available from recent comparable national monument designations. It is likely that, in practice, the U.S. Department of the Interior will increase funding for staff, other annual operating activities and facility improvements.

A description of Rio Grande del Norte area was provided by The Wilderness Society. Visitation projections were developed by BBC using data from the Bureau of Land Management (BLM) and the United States Forest Service (USFS). These data included visitation information for other recently designated national monuments.

BBC estimated visitation and local spending using various data sources, including BLM Recreation Management Information System (RMIS) data, USFS National Visitor Use Monitoring (NVUM) data², and BLM NVUM data.³ These data sources provide the most recent data collection and analysis representative of the study area.

BBC calculated the economic and fiscal benefits of RGDN National Monument designation based on estimates of visitation and direct spending. To calculate current economic impacts, BBC estimated direct spending by RGDN area visitors and utilized IMPLAN Regional Input-Output Modeling System software multipliers to calculate secondary (induced and indirect) economic impacts. Economic impacts are expressed in the employment and

² Stynes, Daniel J. and White, Eric M. "Spending Profiles of National Forest Visitors, NVUM Four Year Report." USDA Forest Service Inventory and Monitoring Institute and Michigan State University Joint Venture, May 2005.

³ U. S. Bureau of Land Management. "National Visitor Use Monitoring Results, Pilot Test, Comparison of Hassayampa, Deschutes, and Taos Field Offices." October 2009.

economic output supported by RGDN non-local visitation and non-local visitor spending. BBC calculated current fiscal benefits, or local and state tax revenues, using IMPLAN to model taxes on sales and other economic activity generated by visitor-related local spending.

Once baseline visitation and economic and fiscal benefits were established, BBC modeled the additional benefit of national monument designation by projecting increases in expected visitation and associated visitor spending. Post-designation visitation estimates were based on visitation growth at other national monuments.

Report Organization

This report is organized into five sections: the first section provides a general description of the study area's economic characteristics; the second section provides a description of the RGDN area's current conditions, including a characterization and quantification of visitation, visitor spending and current economic and fiscal impacts; the third section provides a description of the spending flow model used to calculate economic impacts; the fourth section documents expected visitation changes after Monument designation; and the fifth section provides post-designation economic and fiscal impacts.

Study Area

When determining the economic activity of an area, it is important to determine the appropriate geographic area for study. A regional economy is based on proximity, transportation and location of goods and services production and consumption. It can also be described as a functioning economic unit. Properly

defining this area helps ensure the direct and secondary economic impacts are properly estimated.

This study defines the regional economy as Rio Arriba and Taos Counties. The proposed RGDN Monument is largely in Taos County, and the southern end of the Monument is in close proximity to the towns of Taos and Pilar. U.S. Route 285 allows north-south access to the western portion of the RGDN area and New Mexico Highway 522 allows north-south access to the eastern portion of the proposed Monument. U.S. Route 64 is the primary east-west highway in the area. Figure 4 on the following page shows a map of the regional economic area of Rio Arriba and Taos Counties.

The 2010 U.S. Census reports that the total population of Rio Arriba County is about 40,000 residents, down from roughly 41,000 in 2000. The Census Bureau's American Community Survey (ACS) reports a median household income of about \$41,500 per year and a median home value of \$136,300 over 2006-2010. The average unemployment rate in the same time period was 6.5 percent.⁴

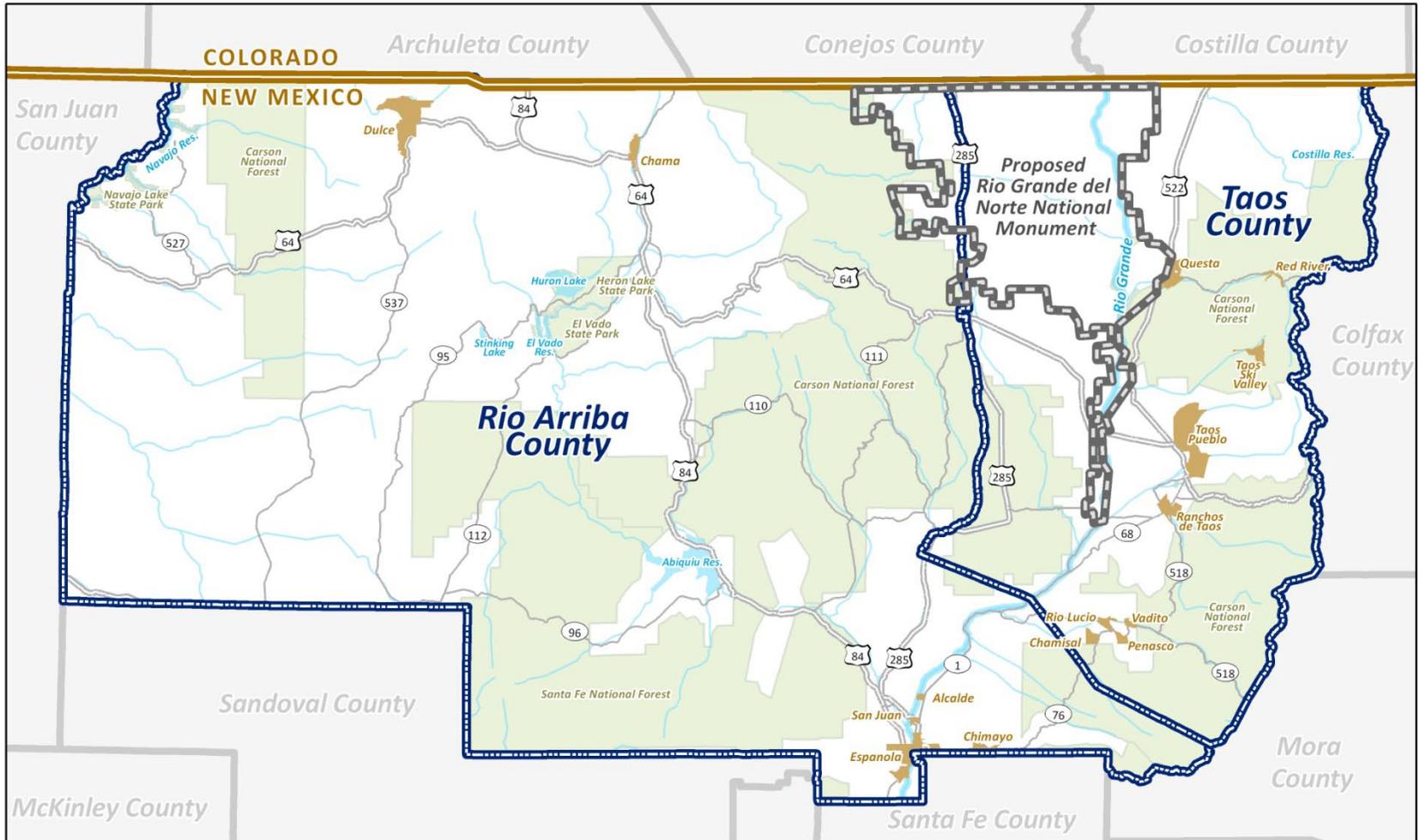
Taos County population is about 33,000, according to the 2010 U.S. Census. The population has grown by about 10 percent since 2000. Median household income is roughly \$35,999 annually with a median of home value of \$212,400. The average unemployment rate in Taos County for 2006-2010 was 7.6 percent.⁵

⁴ U.S. Census Bureau, American Community Survey 5-Year Estimates, "Rio Arriba County, New Mexico" Tables DP03 and DP04. <<http://factfinder2.census.gov>>, July 2012.

⁵ U.S. Census Bureau, American Community Survey 5-Year Estimates, "Taos County, New Mexico" Tables DP03 and DP04. <<http://factfinder2.census.gov>>, July 2012.

Study Area

Figure 4.
Rio Arriba County and Taos County Regional Map



Source: BBC Research & Consulting, 2012.

Current Visitation and Local Spending

Rio Grande del Norte Annual Visitation and Local Spending

Based on recent RMIS visitation data, BBC estimates about 325,000 visits to the RGDN area annually. For this report, visitation in the RGDN area includes visitation from the Quartzite Recreation Site near the Rio Grande Gorge Visitor Center north to the southern limit of the proposed national monument (roughly a mile north of the Taos Junction Bridge).

The most recent NVUM data provided by the BLM indicate that of this visitation, 19 percent are non-local day users, 10 percent stay in hotels and 7 percent are campers. Lodgers and campers are assumed to stay one night locally to visit the RGDN area.

Non-local visitors also include non-primary visitors that identify activities other than visiting BLM land as the primary reason for visiting the area (i.e., the RGDN visitor that identifies art galleries as a primary activity would be a non-primary visitor). Non-primary visitation accounts for about 15 percent of RGDN area visits.

Day use by local residents represents 45 percent of visitation, and some overnight stays by local residents were also reported (4%).

Figure 5.
Current Estimated Visitation, Rio Grande del Norte Area

	Visitation	Percent of Visitation
Non-Local Visitors		
Day visits	62,400	19%
Overnight on BLM land	24,100	7%
Overnight off BLM land	32,500	10%
Non-Primary Visitors	48,400	15%
Local Visitors		
Day visits	145,600	45%
Overnight on BLM land	3,300	1%
Overnight off BLM land	8,800	3%
Total	325,100	100%

Source: BLM FY2011 RIMS and BLM FY2009 NVUM reports.

Average daily visitor expenditures by activity type were estimated in a 2005 joint USFS – Michigan State University study of NVUM data, including Carson National Forest in northern New Mexico. In that study, visitors were surveyed and asked to estimate their party’s total expenditures per day during their stay. They also indicated the primary activity of the visiting party.⁶

Because different activities have different spending patterns (for example, hunters may purchase different goods and services than hikers), it is useful to estimate visitor spending by activity. The following figure presents the different activities considered by the study team.

Figure 6.
Primary Activities Used to Estimate Spending by Activity

Source:
 Stynes and White, 2005.

Primary Activity
Biking
Boating
Camping
Climbing
Driving for pleasure
Education/Interpretation
Fishing
Gathering
Hiking/Walking/Jogging
Horseback Riding
Hunting
OHV
Photography/Wildlife
Picnicking
Other

BLM Taos Field Office RMIS visitation data for FY 2011 also indicated the various activities of survey respondents. The study team tabulated RMIS visitation data by activity type and location, fit that information to the distribution of local and non-local visitors from the 2009 BLM NVUM study, and used the spending patterns by activity described in the 2005 USFS NVUM study (adjusted for inflation to 2011 dollars) to arrive at estimated spending by activity and by market segment (local or non-local).

Using these estimates, current overall RGDN area visitor spending is estimated to be about \$18.7 million per year. Figure 7 on the next page presents a cross-tabulation of spending by activity and by visitor type.

Because the economic model focuses on “new” money to the area, the model only used non-local visitor expenditures. The expenditures used in the IMPLAN analysis are also presented in Figure 7, and total about \$15 million for non-local visitors. Local visitors spend about \$3.7 million on activities in the RGDN area.

⁶ Stynes and White, 2005.

Current Visitation and Local Spending

Figure 7.
Current Estimated Annual Rio Grande del Norte Area Direct Visitor Expenditures by Activity

Activity Type	Non-Local				Local			Total
	Day	Overnight on BLM	Overnight off BLM	Non-Primary	Day	Overnight on BLM	Overnight off BLM	
Biking	\$ 20,300	\$ 23,700	\$ 68,500	\$ 54,900	\$ 17,200	\$ 2,500	\$ 6,200	\$ 193,300
Boating	232,500	266,200	660,600	628,800	542,600	22,800	71,400	2,424,900
Camping	93,100	94,700	132,300	159,900	138,300	11,600	31,400	661,300
Climbing	3,100	4,400	9,800	10,200	5,400	500	1,200	34,600
Driving for Pleasure	57,100	91,800	129,000	149,700	83,300	9,500	24,100	544,500
Education/Interpretation	5,700	8,800	12,700	15,900	6,900	700	2,000	52,700
Fishing	166,200	315,400	492,800	699,700	387,900	28,000	54,800	2,144,800
Gathering	27,900	27,400	60,700	65,600	39,400	3,400	8,600	233,000
Hiking/Walking/Jogging	246,000	379,200	952,500	1,112,100	299,400	27,300	76,700	3,093,200
Horseback Riding	27,900	27,400	60,700	65,600	39,400	3,400	8,600	233,000
Hunting	12,900	22,400	37,400	41,200	34,400	2,600	5,300	156,200
OHV	13,500	12,200	20,500	30,800	18,500	1,300	3,500	100,300
Photography/Wildlife Viewing	690,000	1,063,800	1,535,500	1,930,900	829,400	83,900	244,000	6,377,500
Picnicking	2,100	2,200	4,600	5,200	3,100	200	600	18,000
Other	287,700	282,200	626,500	676,500	406,800	35,000	88,300	2,403,000
Total	\$ 1,886,000	\$ 2,621,800	\$ 4,804,100	\$ 5,647,000	\$ 2,852,000	\$ 232,700	\$ 626,700	\$ 18,670,300
<i>Utilized in IMPLAN Analysis</i>	<i>\$ 1,886,000</i>	<i>\$ 2,621,800</i>	<i>\$ 4,804,100</i>	<i>\$ 5,647,000</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>\$ 14,958,900</i>

Note: Dollar values adjusted for inflation and expressed in 2011 dollars.

Source: BBC Research & Consulting from FY2011 RMIS, 2005 and 2009 NVUM data.

Current Visitation and Local Spending

Annual Operations

In addition to visitor spending, the RGDN area currently receives roughly \$300,000 each year in federal funding for salaries, recurring contracts, and operational expenses.⁷

Grazing

The proposed Monument area also provides economic benefit to the community through ongoing livestock grazing. The economic value attributed to grazing on the RGDN amounted to about \$412,000 annually.⁸ This amount includes the value of roughly 15,000 cattle and calves, 380 sheep and lambs, and about 30 horses and ponies indentified in the RAS system as grazing on RGDN land.

Total Operational and Visitor Spending

Combining annual direct operational spending by the BLM with annual grazing expenditures and annual visitor expenditures yields a combined annual direct economic impact of about \$15.7 million. Figure 8 provides a summary table.

Figure 8.
Total Operational and Non-Local Visitor Spending

	Direct Spending	
Non-local Visitation	\$	14,959,000
Federal expenditure		300,000
Grazing		412,000
Total	\$	15,671,000

Note: Dollar values adjusted for inflation and expressed in 2011 dollars.

Source: BBC Research & Consulting, 2012.

⁷ Federal spending data from personal correspondence with BLM staff, July 2012.

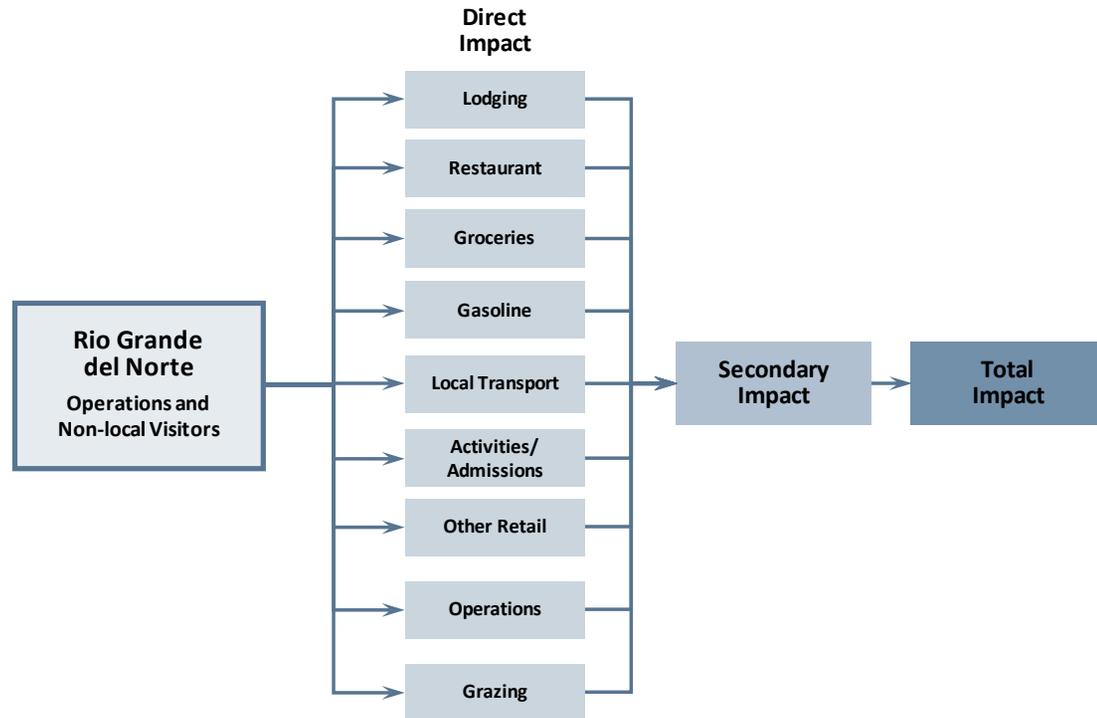
⁸ Grazing economic impacts from the BLM Rangeland Administration System (RAS) <<http://www.blm.gov/ras/>> and 2007 USDA Census of Agriculture County Profiles for Taos and Rio Arriba Counties.

The direct impact, discussed above, only represents a portion of the total impact of RDGN on the local economy. Spending generated by RDGN operations and visitor expenditures circulates in the local economy, as businesses where visitors spend their money purchase goods and services from other businesses and as workers spend a portion of their earnings on local goods and services. This recirculation of money in the economy is termed a “secondary impact.” The direct and secondary economic impacts produced by RDGN visitor and operational spending also support certain levels of employment, described later in this analysis.

For the purposes of this analysis, BBC defines the local economy as Rio Arriba and Taos Counties. This study area was chosen because it is a functioning economic unit and will capture most project-related impacts.⁹

To determine the total current economic impact of RDGN (the direct impact plus the secondary impacts), BBC developed a spending flow model — shown in Figure 9 at left — to trace the flow of dollars and associated employment generated by RDGN through the local economy.

Figure 9.
Spending Flow Model



Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System, 2012.

This model is based on the IMPLAN Regional Input-Output Modeling System. A widely-used economic modeling software, IMPLAN estimates secondary economic impacts based on user-supplied direct impacts. BBC used IMPLAN to estimate economic, employment, and state and local revenue impacts based on the spending data discussed in the preceding section.¹⁰

⁹ See Page 6 for a more detailed description of the economic study area.

¹⁰ For more information on IMPLAN, refer to <<http://implan.com/>>

Total Economic Impacts — Annual Operations and Visitation

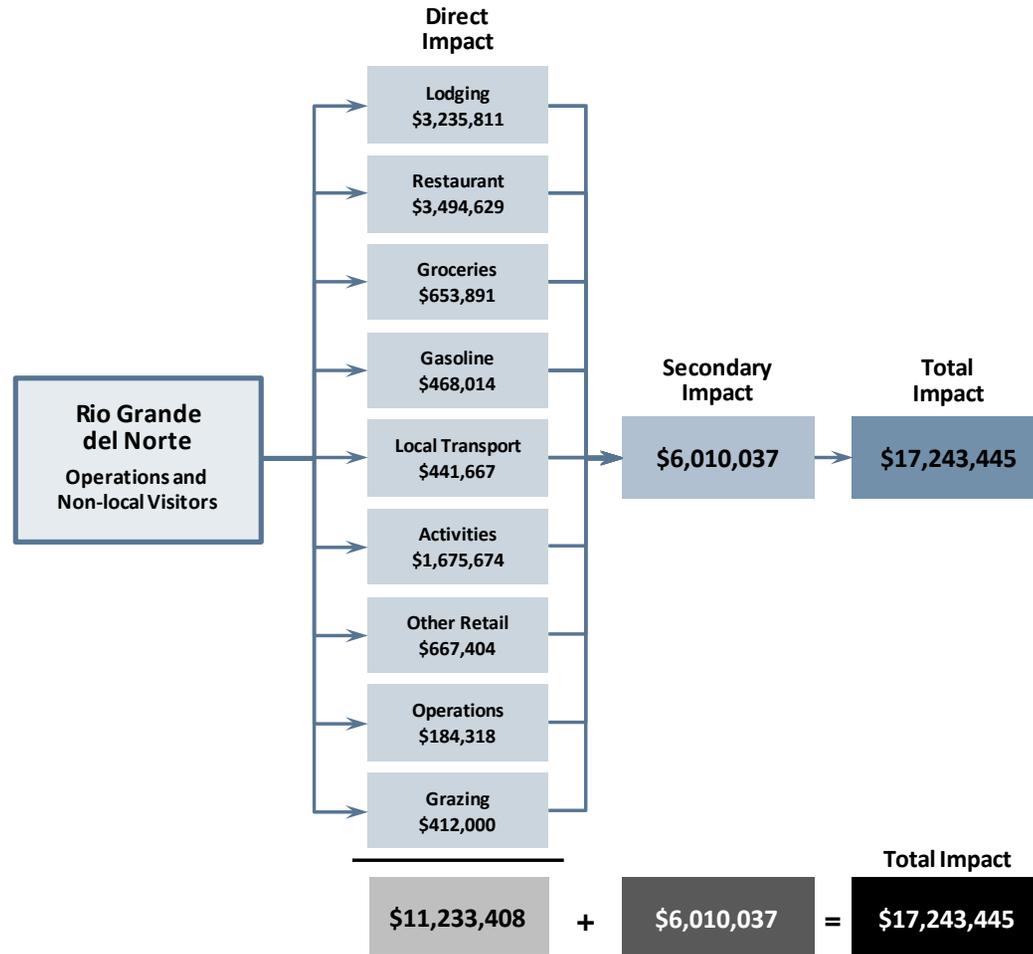
Total Economic Impact

Including direct and secondary impacts, RGDN currently has a total estimated economic impact of about \$17.2 million per year, as illustrated in Figure 10. This figure includes economic activity generated by annual visitor and operation expenditures.

The total impact number presented in Figure 10 (\$17,243,445) differs from the spending numbers presented in Figure 8 because retail expenditures are treated differently than other categories in the IMPLAN model.

Most products purchased at retail establishments are manufactured outside of the Taos County/Rio Arriba County study area. For this reason, the study team conservatively included only the retail margin in estimating the local secondary (indirect and induced) economic effects associated with retail purchases, including employment.

Figure 10. Rio Grande del Norte, Total Annual Economic Impact, Rio Arriba and Taos County Region



Note: Direct Expenditures reported net of taxes (sales, lodging and excise).

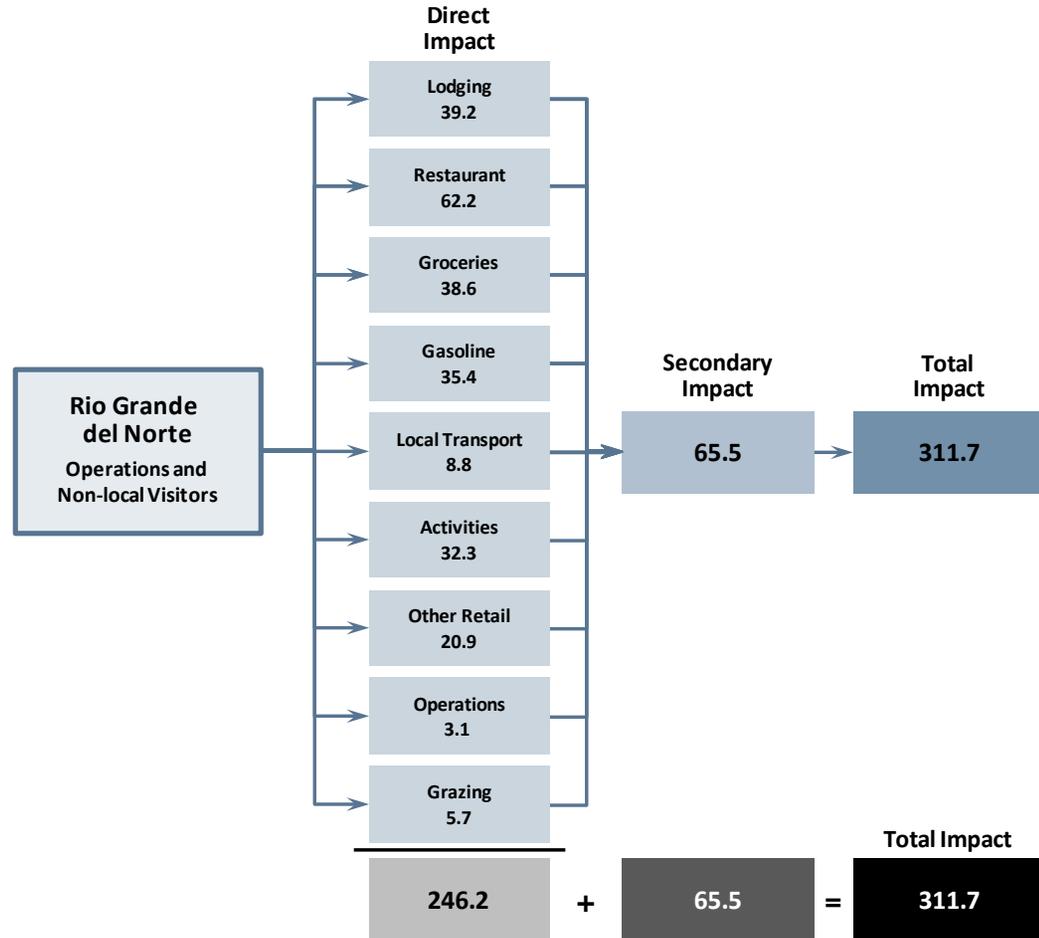
Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

Total Economic Impacts — Annual Operations and Visitation

Impact on Employment

Economic activity generated by RGDN operations and visitation currently supports approximately 312 jobs per year in Rio Arriba and Taos Counties, as shown in Figure 11.

Figure 11. Rio Grande del Norte, Total Annual Employment Impact, Rio Arriba and Taos County Region



Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

National Monument Designation

Changing the designation of public land may have a significant effect on the local or regional economy. A public land designation, such as a national monument, may signal an enhanced quality of a potential visitor experience, and this could have substantial effects on visitation. Changes in visitation and tourism expenditures are especially important in rural areas where people may be particularly reliant on income derived from tourism.

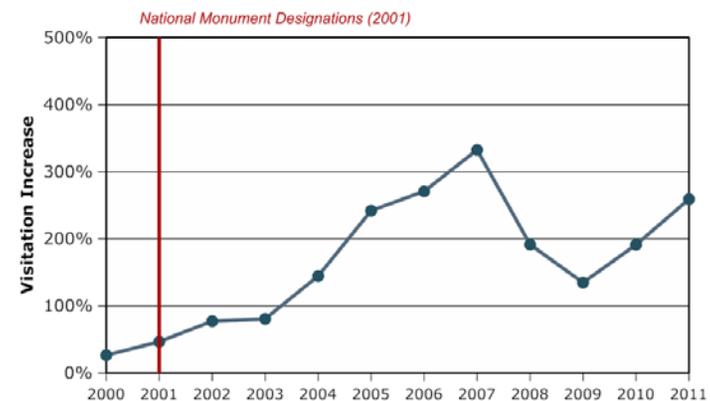
BBC reviewed data from recently designated national monuments to gain an understanding of the potential visitor response. Monument selection for the benchmark analysis is based on site similarities to RGDN (i.e., location in the west, designation after 2000 and presence of multiple types of recreation.) The following sites were identified: Agua Fria, Canyons of the Ancients, Ironwood Forest, Sonoran Desert, Kasha-Katuwe Tent Rocks, Cascade Siskiyou, Carrizo Plain, Upper Missouri River Breaks, and Prehistoric Trackways.

Data sources include interviews with staff at recently-designated sites and visitation data from the BLM RMIS.¹¹ However, there are some limitations in the data and therefore the Monuments that could be used in the benchmarking exercise. Data documenting visitation at national monuments are limited due to constraints in BLM data collection prior to FY 1999. In fact, the BLM did not implement formal visitation collection practices until late 2000. Thus, only Monuments designated in late 2000 or 2001 are useful benchmarks. Therefore, the final list of benchmarks is limited to Sonoran Desert, Kasha-Katuwe Tent Rocks, Carrizo Plain and Upper Missouri River Breaks.¹²

¹¹ All monuments that fit the selection criteria are managed by the BLM.
¹² Visitation data at several national monuments, including Agua Fria, Canyons of the Ancients, Ironwood Forest, Cascade Siskiyou and Prehistoric Trackways were unavailable in pre-designation years, making them unusable as benchmarks.

To understand the change in visitation pre- and post- designation, BBC calculated the change in visitation at each site compared to the site's average pre-designation visitation in 1999 and 2000. The change in visitation per site was then averaged by year across the four benchmark sites. Figure 12 below shows the average annual visitation increase compared to pre-designation visitation.

Figure 12.
Average Visitation Increase Compared to Pre-designation



Source: BBC Research & Consulting with data provided by the BLM.

The benchmark analysis indicates that visitation growth is extensive following designation. Growth between 2002 and 2003 was slightly slower possibly due to September 11th terrorist attacks and a general aversion to travel in the U.S. Between 2003 and 2007, the growth in visitation is substantial, and in some sites grew by more than 500 percent. Reduced visitation in 2008 could be attributed to the financial crisis in the U.S. and the change in consumer spending patterns, but despite the decline, visitation remained greater than in pre-designation years. In recent years, visitation growth is rebounding and looks to be returning to levels found prior to 2008. In summary, national monument designation

National Monument Designation

does seem to have a significant impact on visitation, but it is not the only factor that influences visitation. Other economic factors affect tourism such as geopolitical events and changes in consumer disposable income. It is important to note that overall visitation growth at all BLM lands relative to 2001 was between 3 percent and 14 percent per year.

Despite the compelling visitation growth shown in the benchmark analysis, RGDN is somewhat limited in its potential growth post-designation. As shown in Figure 5 above, a large portion of visitors to RGDN are from the local area. These local visitors are generally familiar with the recreation opportunities available at RGDN, and it is unlikely that a change in federal land administrative status will significantly affect their visitation patterns.

Furthermore, hunting visitation is unlikely to increase because of the state game management system, where licensed hunters are assigned to certain game management units. These practices are unlikely to change. In addition, edible and medicinal plant gathering and off-highway vehicle visitation is unlikely to grow after monument designation because this relatively small group of visitors are most likely local and are drawn to certain areas within RGDN because of site-specific characteristics that will not change regardless of federal administrative management status.

In recognition of these factors, BBC only increased visitation of non-local visitors and non-primary visitors (and not local visitors) to produce a conservative estimate of potential impacts of post-designation RGDN visitation. Figure 13 below shows assumed pre- and post-designation visitation at RGDN and the increase in non-local visitation associated with national monument designation.

BBC’s estimated post-designation visitation growth scenario includes a doubling of non-local RGDN visitors in most recreation activities. In sum, visitation is expected to increase from about 325,000 to approximately 488,000.

Figure 13.
RGDN Pre- and Post-Designation Visitation by Primary Activity

Activity Type	Local Visitation	Non-Local Visitation		Total Visitation	
	Current and Post-Designation	Current	Post Designation	Current	Post Designation
Biking	1,552	1,648	3,248	3,200	4,800
Boating	17,800	18,900	37,800	36,700	55,600
Camping	7,130	7,570	15,170	14,700	22,300
Climbing	291	309	609	600	900
Driving for pleasure	6,014	6,386	12,786	12,400	18,800
Education/Interpretation	436	464	964	900	1,400
Fishing	16,150	17,150	34,350	33,300	50,500
Gathering	2,134	2,266	2,266	4,400	4,400
Hiking/Walking/Jogging	27,015	28,685	57,385	55,700	84,400
Horseback Riding	2,134	2,266	4,566	4,400	6,700
Hunting	1,164	1,236	1,236	2,400	2,400
OHV	873	927	927	1,800	1,800
Photography/Wildlife Viewing	52,816	56,084	112,184	108,900	165,000
Picnicking	145	155	355	300	500
Other	22,019	23,381	46,781	45,400	68,800
Total	157,673	167,427	330,627	325,100	488,300

Source: BLM; BBC Research & Consulting.

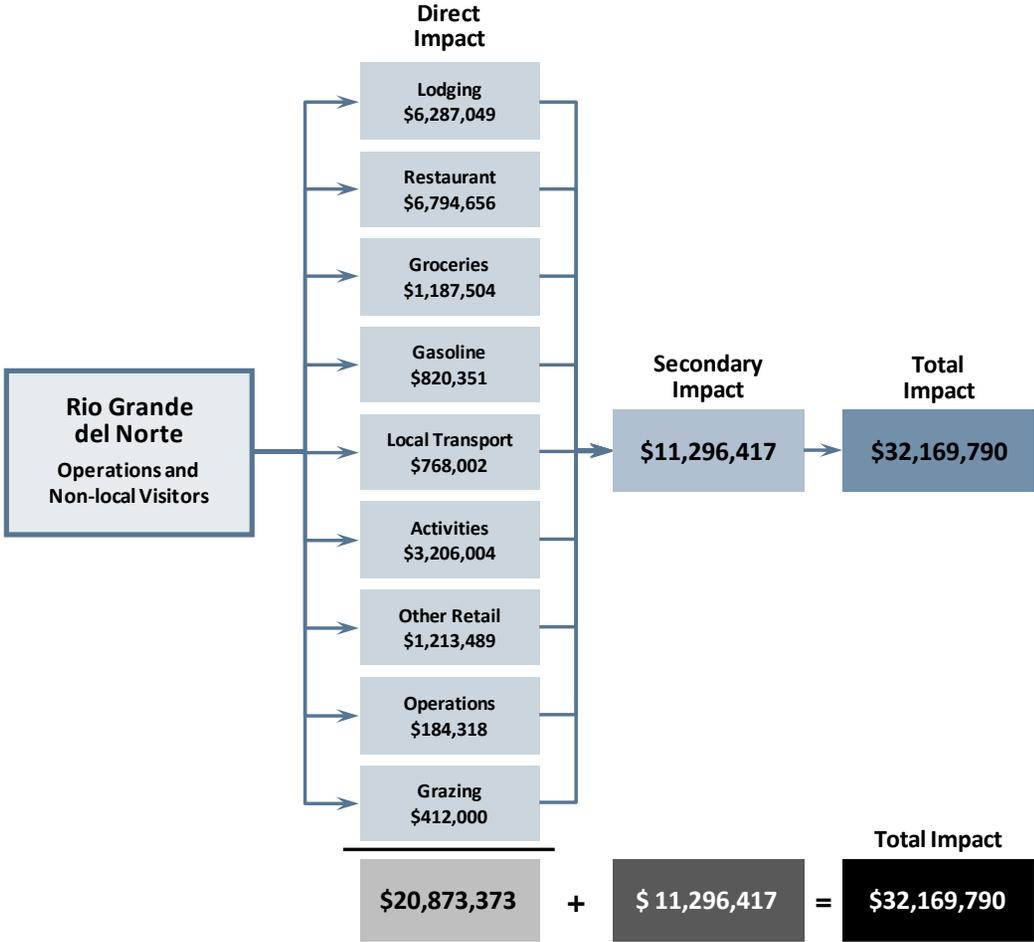
It is important to note there is no current commitment to additional Federal funding for operations or capital projects in the monument designation proposal. However, if additional facilities or operational enhancements are added in the future, or if additional funds are allocated for promoting RGDN to new markets, future visitation could potentially be greater than the projections contained in this report.

National Monument Designation

Figure 14 presents the expected economic impact of the proposed Rio Grande del Norte National Monument following designation. The figure presents estimates for each spending category after monument designation. BBC assumed that the distribution of visitors (i.e., local, non-local, day, and overnight users) would continue to resemble the current visitor distribution. There is no projected change in economic impact resulting from grazing, as grazing is expected to continue unaffected by national monument designation. In addition, although annual operations spending will likely increase after national monument designation, BBC held operational expenditures constant in our economic models because currently, there is no Federal commitment to additional funding.

As shown in Figure 14, the expected annual economic impacts of national monument designation could reach \$32.2 million, which represents an increase of approximately \$15 million in regional economic activity.

Figure 14.
Post-Monument Designation Total Annual Economic Impact—Output

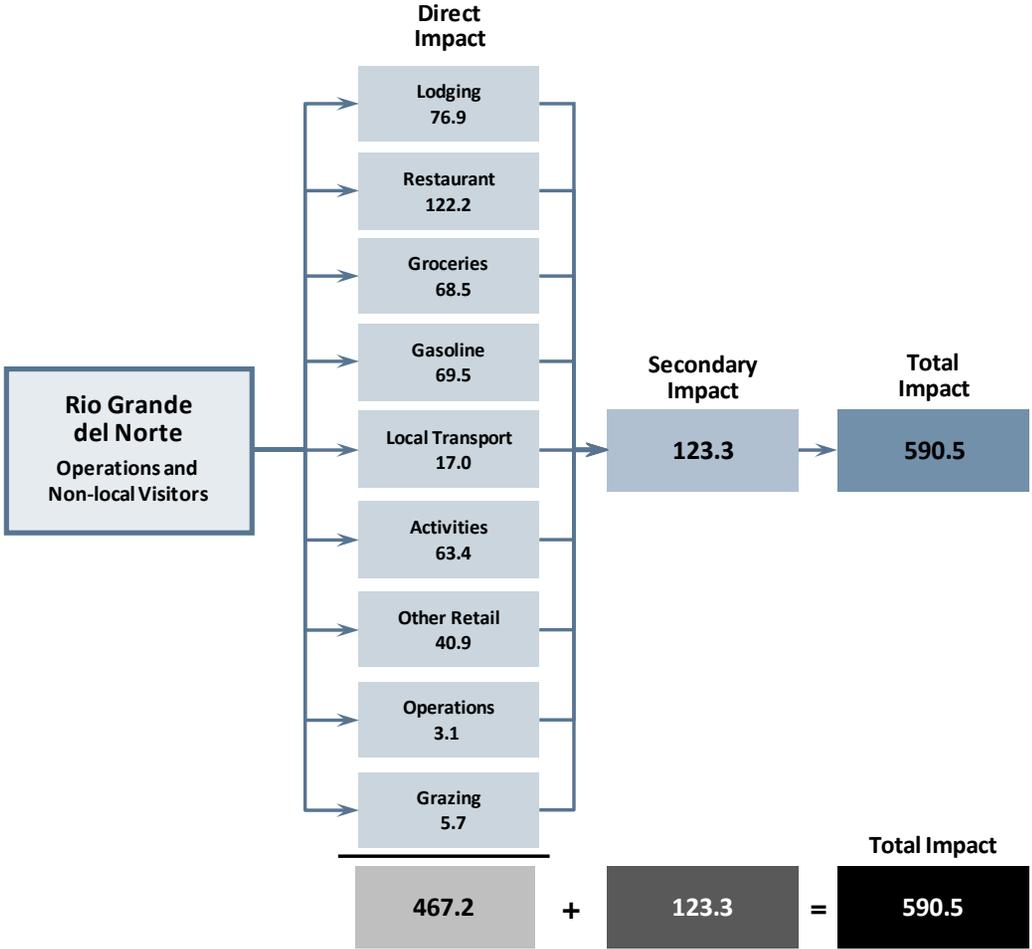


Note: Direct Expenditures reported net of taxes (sales, lodging and excise).
Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

National Monument Designation

Figure 15 presents the projected employment impacts associated with national monument designation. Visitor spending associated with RGDN currently supports roughly 312 jobs. Following Monument designation, employment supported would be expected to increase to about 591 jobs, an increase of 279 jobs.

Figure 15.
Post-Monument Designation Total Annual Economic Impact—Employment



Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

This section details the estimated fiscal impacts of RGDN on state and local governments, and the analysis further explores the fiscal impacts of RGDN National Monument designation. Fiscal impacts are defined as the tax revenue generated by spending associated with RGDN visitation.

Fiscal Impact Analysis Approach

Direct and indirect spending generated by current and potential future RGDN visitors have a wide range of state- and local-level fiscal impacts. The principle state-level fiscal impacts will result from taxes on new personal income and retail spending. Other state-level and local taxes include revenues collected from increased economic activity in Taos or Rio Arriba Counties from taxes on gasoline, meals, lodging, income, utilities, personal property, and corporate income plus revenues from licenses and fees and user charges, among others.

The IMPLAN economic modeling software package estimates the tax revenue impacts associated with all direct, indirect and induced economic activity occurring in the study area.

Fiscal Benefits

Spending associated with RGDN operation and visitation currently generates about \$1.9 million annually in total state and local tax revenue. About 40 percent or \$800,000 of this tax revenue is state and local sales tax revenue.

Figure 16 summarizes the total estimated state and local tax revenue attributable to current and expected future operational and visitor spending at RGDN.

Figure 16.
Current and Post-Designation State and Local Tax Revenue

Category	Direct	Secondary	Total
Current State and Local Tax Revenue	\$ 1,547,674	\$ 394,277	\$ 1,941,951
Post Designation State and Local Tax Revenue	3,035,504	744,341	3,779,845
<i>Net State and Local Tax Revenue</i>	<i>\$ 1,487,830</i>	<i>\$ 350,064</i>	<i>\$ 1,837,894</i>

Source: IMPLAN Economic Model; BBC Research & Consulting

Following national monument designation, RGDN operations and visitor spending is expected to generate about \$3.8 million per year in combined state and local government tax revenue. State and local sales tax revenue accounts for \$1.5 million of that figure.

The incremental increase in state and local tax revenue is estimated to be about \$1.8 million.

Other Economic Impacts

In addition to generating increased economic activity, tax revenues and employment in the region, RGDN National Monument designation will have other, non-quantifiable benefits. Monument designation will increase the likelihood of securing funding for a higher degree of natural resource protection and habitat restoration. Protection of RGDN natural and cultural resources will benefit the nearby Taos Pueblo Indians, in addition to the general public, who use the site for cultural and traditional practices.

Monument designation will also increase the likelihood of securing future funding for ongoing cultural and archaeological research. Archaeological sites are prevalent at RGDN, although additional funds would help preserve currently unprotected petroglyphs and

Other Economic Impacts

allow for additional excavation and preservation work at archaeological sites.

Ensuring that RGDN's natural and archaeological assets are protected in perpetuity provides an opportunity for future generations to enjoy Northern New Mexico's natural assets and learn about ancient American cultures. Securing national monument designation provides an opportunity to protect cultural and natural resources, while stimulating the regional economy and bolstering the local employment base.

Appendix A. Economic Impact Detail

The following exhibits provide economic and employment impact detail by visitor activity. Figure 1 and 2 show economic and employment impacts for current visitation. Figures 3 and 4 on the following page show economic and employment impacts associated with post-designation visitation.

Figure 1.
Total Annual Economic Impact
by Primary Activity Type—Current Visitation

Activity Type	Direct Impact	Secondary Impact	Total Impact
Current Economic Impact			
Biking	\$ 123,567	\$ 66,110	\$ 189,678
Boating	1,348,009	721,204	2,069,213
Camping	359,469	192,321	551,790
Climbing	22,467	12,020	34,487
Driving for pleasure	325,769	174,291	500,060
Education/Interpretation	33,700	18,030	51,730
Fishing	1,258,142	673,124	1,931,266
Gathering	134,801	72,120	206,921
Hiking/Walking/Jogging	2,022,014	1,081,807	3,103,820
Horseback Riding	134,801	72,120	206,921
Hunting	89,867	48,080	137,948
OHV	56,167	30,050	86,217
Photography/Wildlife Viewing	3,920,460	2,097,503	6,017,962
Picnicking	11,233	6,010	17,243
Other	1,392,943	745,245	2,138,187
Total	11,233,409	6,010,037	17,243,446

Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

Figure 2.
Total Annual Employment Impact
by Primary Activity Type—Current Visitation

Activity Type	Direct Impact	Secondary Impact	Total Impact
Current Employment Impact			
Biking	2.7	0.7	3.4
Boating	29.5	7.9	37.4
Camping	7.9	2.1	10.0
Climbing	0.5	0.1	0.6
Driving for pleasure	7.1	1.9	9.0
Education/Interpretation	0.7	0.2	0.9
Fishing	27.6	7.3	34.9
Gathering	3.0	0.8	3.7
Hiking/Walking/Jogging	44.3	11.8	56.1
Horseback Riding	3.0	0.8	3.7
Hunting	2.0	0.5	2.5
OHV	1.2	0.3	1.6
Photography/Wildlife Viewing	85.9	22.9	108.8
Picnicking	0.2	0.1	0.3
Other	30.5	8.1	38.7
Total	246.2	65.6	311.7

Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

Appendix A. Economic Impact Detail

Figure 3.
Total Annual Economic Impact
by Primary Activity Type—Post-Designation Visitation

Activity Type	Direct Impact	Secondary Impact	Total Impact
Post-Designation Economic Impact			
Biking	\$ 229,607	\$ 124,261	\$ 353,868
Boating	2,525,678	1,366,867	3,892,545
Camping	667,948	361,485	1,029,433
Climbing	41,747	22,593	64,340
Driving for pleasure	605,328	327,596	932,924
Education/Interpretation	62,620	33,889	96,509
Fishing	2,358,691	1,276,495	3,635,186
Gathering	125,240	67,779	193,019
Hiking/Walking/Jogging	3,798,954	2,055,948	5,854,902
Horseback Riding	250,480	135,557	386,037
Hunting	104,367	56,482	160,849
OHV	62,620	33,889	96,509
Photography/Wildlife Viewing	7,368,301	3,987,635	11,355,936
Picnicking	20,873	11,296	32,170
Other	2,650,918	1,434,645	4,085,564
Total	\$ 20,873,374	\$ 11,296,418	\$ 32,169,792

Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

Figure 4.
Total Annual Employment Impact
by Primary Activity Type—Post-Designation Visitation

Activity Type	Direct Impact	Secondary Impact	Total Impact
Post-Designation Employment Impact			
Biking	5.1	1.4	6.5
Boating	56.5	14.9	71.4
Camping	14.9	3.9	18.9
Climbing	0.9	0.2	1.2
Driving for pleasure	13.5	3.6	17.1
Education/Interpretation	1.4	0.4	1.8
Fishing	52.8	13.9	66.7
Gathering	2.8	0.7	3.5
Hiking/Walking/Jogging	85.0	22.4	107.5
Horseback Riding	5.6	1.5	7.1
Hunting	2.3	0.6	3.0
OHV	1.4	0.4	1.8
Photography/Wildlife Viewing	164.9	43.5	208.4
Picnicking	0.5	0.1	0.6
Other	59.3	15.7	75.0
Total	467.2	123.3	590.5

Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.