

# **Economic Impacts of National Monument Designation**

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Great Bend of the Gila, Arizona



FINAL REPORT

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August 8, 2014

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Great Bend of the Gila, Arizona

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# Executive Summary

The current operation and visitor spending associated with the Great Bend of the Gila (GBG) area in Maricopa and Yuma Counties, Arizona provides benefit to the local economy and generates tax revenue for local governments. Local elected officials and stakeholders are recommending the GBG area for national monument designation, which BBC believes could increase its economic benefits to the region after designation.

The purpose of this report is to provide interested parties with information about the current characteristics of the GBG area and the projected economic and fiscal impacts associated with its potential designation as a national monument.

GBG is located about 5 miles southwest of the Town of Buckeye, AZ and 40 miles southwest of Phoenix. It includes a 75-mile stretch of the Gila River. Much of the proposed national monument falls within designated Areas of Critical Environmental Concern (ACEC) which were created in recognition of the rich cultural and historic resources of the area.<sup>1</sup> The Lower Sonoran and Yuma Field Offices of the United States Bureau of Land Management (BLM) currently manage the 84,000 acres in the proposed national monument for multiple uses, including recreation.

Changing the designation of public land is expected to have a significant effect on the local economy. A public land designation, such as a national monument, will increase awareness of the unique historic and cultural resources contained in the proposal area and may signal enhanced quality of a potential visitor experience, substantially increasing visitation. Changes in visitation and tourism expenditures are especially important in

rural areas, such as the Gila Bend area, where people may be particularly reliant on income derived from tourism.

BBC estimated direct spending by visitors to the GBG area 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 GBG area operations and visitor spending.

BBC quantified current annual economic impacts of GBG area 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, GBG currently has a total annual economic impact of about \$1 million per year, including direct and secondary impacts.

Figure 2 shows the employment impacts associated with current operations and visitor spending at GBG. Economic activity generated by current GBG operations and visitation supports an estimated 10 jobs per year in Maricopa and Yuma Counties.

Figure 3 on page 3 presents the expected economic impact of the proposed GBG National Monument following designation. The expected annual economic impacts of national monument designation could reach \$2.3 million, which represents an increase of approximately \$1.3 million in regional economic activity.

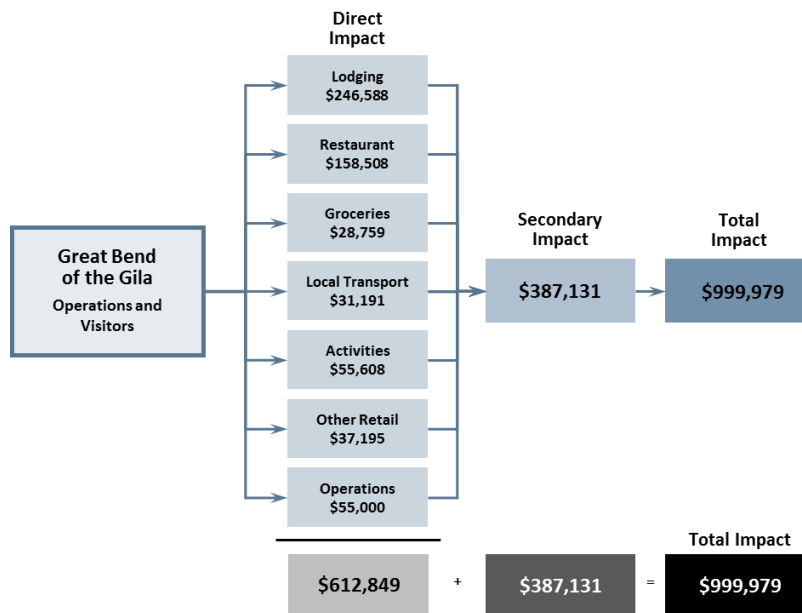
Figure 4 on page 3 presents the projected employment impacts associated with national monument designation. Following national monument designation, employment supported would be expected to increase to about 23 jobs, an increase of 13 jobs.

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<sup>1</sup> Areas of Critical Environmental Concern (ACEC) are special management areas designated by BLM to protect significant historical, cultural, and scenic values; fish and wildlife resources; natural process or systems; and/or natural hazards.

# Executive Summary

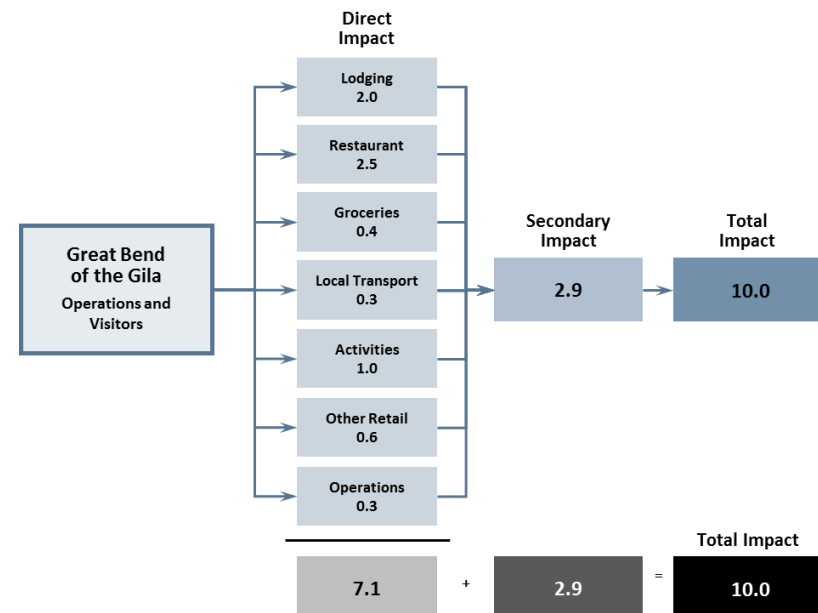
**Figure 1.**  
Great Bend of the Gila, Current Total Annual Economic Impact,  
Maricopa and Yuma County Region



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

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

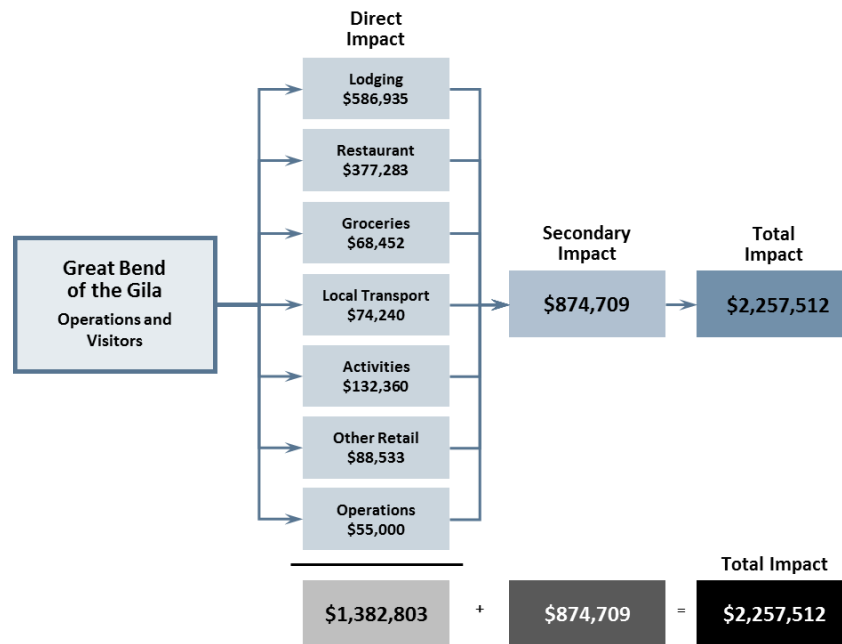
**Figure 2.**  
Great Bend of the Gila, Total Annual Employment Impact, Maricopa  
and Yuma County Region



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

# Executive Summary

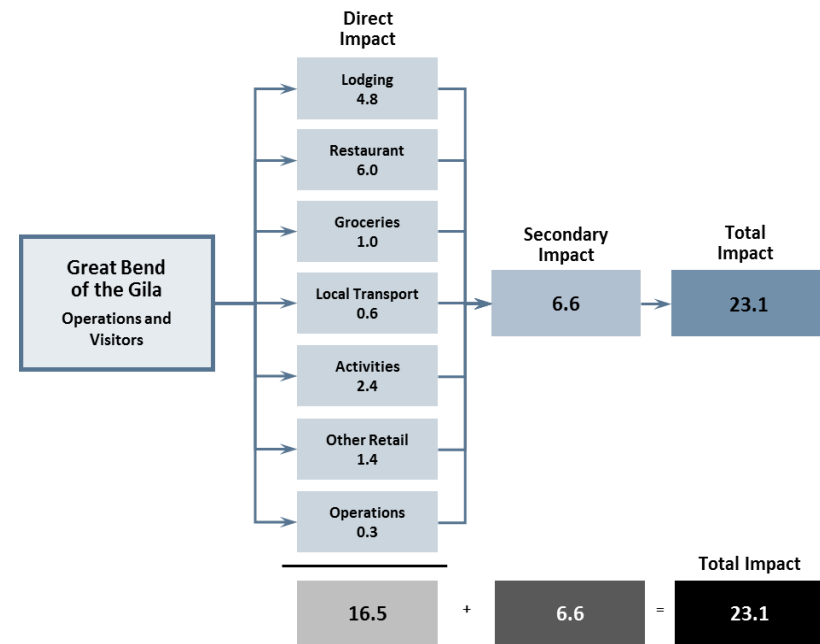
**Figure 3.**  
Post-National Monument Designation Total Annual Economic  
Impact—Output



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-National Monument Designation Total Annual Economic  
Impact—Employment



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

# Background and Methodology

## Background

The proposed GBG National Monument is located about five miles southwest of the Town of Buckeye and 40 miles southwest of Phoenix in southern Arizona. It includes portions of Maricopa and Yuma Counties and is situated in the heart of the Sonoran Desert. The land within the proposal is sacred to a number of tribes in Arizona including the neighboring Four Southern Tribes. The proposed national monument includes a 75-mile stretch of the Gila River and portions of the adjacent valley.

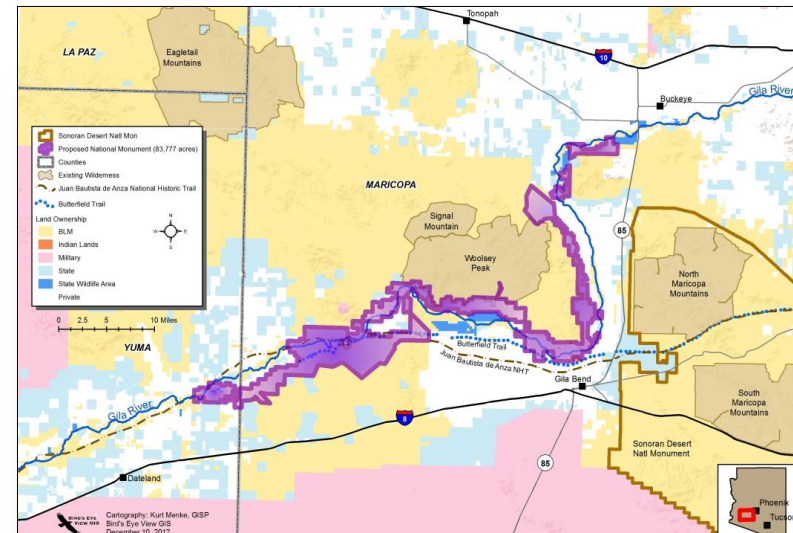
The Lower Sonoran and Yuma Field Offices of the BLM currently manage the 84,000-acre proposed national monument for multiple uses, including recreation and archeological research. The proposal only includes a designation for a national monument and does not include any recommendations for wilderness designation. It would encompass the Sears Point Area of Critical Environmental Concern (ACEC)<sup>2</sup> and the recently designated Lower Gila Terraces and Historic Trails ACECs.

The proposed national monument would allow a wide range of uses including hunting, horseback riding, camping, backpacking, hiking, biking, motorized vehicle use, grazing, scientific research, and educational opportunities. In addition to the area's recreation offerings, the Gila Bend area is home to some of the nation's most significant collections of petroglyphs and geoglyphs. Some of these rock carvings and formations are believed to date back thousands of years to the area's first visitors and inhabitants.

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<sup>2</sup> Areas of Critical Environmental Concern (ACEC) are special management areas designated by BLM to protect significant historical, cultural, and scenic values; fish and wildlife resources; natural process or systems; and/or natural hazards.

**Figure 5.**  
**Proposed Great Bend of the Gila National Monument**



Source: National Trust for Historic Preservation.

A handful of historic trails wind through the proposed national monument as well. These include the Juan Bautista de Anza National Historic Trail (NHT), the Butterfield Stagecoach Trail — a proposed NHT, and the Mormon Battalion Trail.

Figure 5 above presents a map of the location of the proposed Great Bend of the Gila National Monument.

Wildlife benefits from the relative remoteness of the area, which serves as a wildlife movement corridor between adjacent mountain ranges and Wilderness Areas. The area contains a variety of indigenous species including the Sonoran desert tortoise, banded Gila monster, lowland leopard frog, and a variety of raptors — including golden eagles and red tail hawks — and bats.

For thousands of years, the Gila River has been a key component to the survival of the region's diverse wildlife and human communities. The archaeological record supports at least 11,000 years of human occupation including that of Native American groups such as the Patayan and Hohokam peoples, as well as Colonial Spanish and Mexican inhabitants.

## Designation and Preservation Efforts

National monuments can either be designated by Congress or by the President of the United States through the Antiquities Act of 1906. This Act grants the president 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.

Representative Raúl Grijalava introduced the Great Bend of the Gila National Monument Establishment Act (H.R. 1348 of the 113<sup>th</sup> Congress) in March 2013.

## Methodology

Critical factors influencing economic impact include the number of visitors, mode of accommodations and the amount and pattern of their expenditures.

Visitation and spending are considered basic economic contributions and serve as the foundation for local economic and fiscal stimulation. Non-primary visitors (those visitors who visit the proposed national monument area as a secondary reason for being in the area) are included to examine economic impact. Federal operational spending also introduces money into the local economy.

Although it is possible that a larger operating budget and periodic capital investment would result from national monument designation, operational expenditures for the proposed national monument are held constant. BBC is not able to project increases in federal spending or capital investment in GBG because little information is available from recent comparable national monument designations. It is possible that, in practice, the U.S. Department of the Interior will increase funding for staff, other annual operating activities and facility improvements, creating greater economic impacts than contained in this report.

Background information and usage details regarding the Great Bend of the Gila is provided by the BLM. Visitation projections are established by BBC using data from the 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) data<sup>3</sup>, and BLM NVUM data.<sup>4</sup> These data sources provide the most recent data collection and analysis representative of the study area.

BBC calculated the economic and fiscal benefits of GBG National Monument designation based on estimates of visitation and direct spending. To calculate current economic impacts, BBC estimated direct spending by GBG 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 economic output supported by GBG visitation and associated 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 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 GBG area current conditions, including a characterization and quantification of visitation, 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 national monument designation; and the fifth section provides post-designation economic and fiscal impacts.

## Study Area

When determining economic activity in an area, it is important to identify 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 Maricopa and Yuma Counties. The proposed GBG national monument is largely in Maricopa County, and the western end of the proposed national monument lies in Yuma County. Interstate 8 allows limited access to the western portion of the GBG area and Old U.S. Highway 80 provides limited access to the eastern portion of the proposed national monument. Figure 6 on page 8 shows a map of the regional economic area of Maricopa and Yuma Counties.

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<sup>3</sup> Styne, 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.

<sup>4</sup> U. S. Bureau of Land Management. "National Visitor Use Monitoring Results, Pilot Test, Comparison of Hassayampa, Deschutes, and Taos Field Offices." October 2009.

# Background and Methodology

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The 2010 U.S. Census reports that the total population of Maricopa County is about 3.8 million residents, up from roughly 3.1 million in 2000. The Census Bureau's American Community Survey (ACS) reports a median household income of about \$55,100 per year and a median home value of \$219,300 over 2007-2011. The average unemployment rate in the same time period was 8.3 percent.<sup>5</sup>

The 2010 U.S. Census reports that the population of Yuma County is about 195,800 residents, up from roughly 160,000 in 2000. Median household income is roughly \$41,400 annually with a median of home value of \$138,600. The average unemployment rate in Yuma County for 2006-2010 was 11.7 percent.<sup>6</sup>

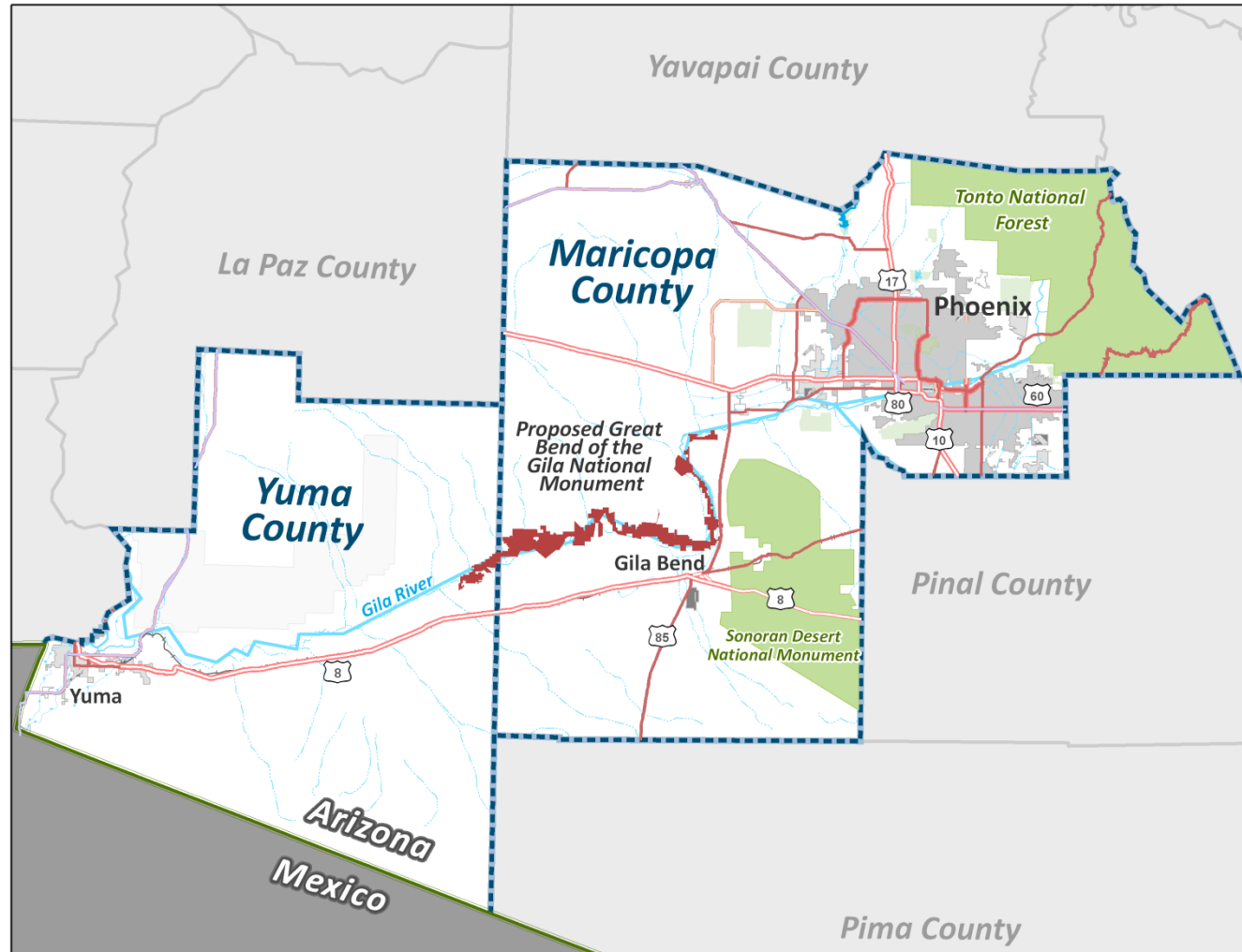
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<sup>5</sup> U.S. Census Bureau, American Community Survey 5-Year Estimates, "Maricopa County, Arizona" Tables DP03 and DP04. <<http://factfinder2.census.gov>>, 2013.

<sup>6</sup> U.S. Census Bureau, American Community Survey 5-Year Estimates, "Yuma County, Arizona" Tables DP03 and DP04. <<http://factfinder2.census.gov>>, 2013.

# Study Area

Figure 6.  
Maricopa and Yuma County Regional Map



Source: BBC Research & Consulting, 2013.

# Current Visitation and Spending

## Great Bend of the Gila Annual Visitation and Spending

Based on recent RMIS visitation data, BBC estimates about 16,740 visits to the GBG area annually. Figure 7 below categorizes visitation by visitor type. BBC estimated the GBG area visitor type distribution based on BLM NVUM data, using the BLM Hassayampa Field Office area as a benchmark.<sup>7</sup>

This data indicates that of total GBG visitation, 83 percent are day users, 6 percent stay in hotels and 4 percent are campers. Lodgers and campers are assumed to stay one night to visit the GBG area.

Non-primary visitors that identify activities other than visiting BLM land as the primary reason for visiting the area (i.e., the GBG visitor that identifies visiting Phoenix as a primary activity would be a non-primary visitor) are also included in the study. Non-primary visitation accounts for about 7 percent of GBG area visits.

**Figure 7.**  
**Current Estimated Visitation, Great Bend of the Gila Area**

	Visitation	Percent of Visitation
Day visits	13,830	83%
Overnight on BLM land	680	4%
Overnight off BLM land	1,040	6%
Non-Primary Visitors	1,190	7%
<b>Total</b>	<b>16,740</b>	<b>100%</b>

Source: BLM FY2012 RIMS and BLM FY2009 NVUM reports.

<sup>7</sup> U. S. Bureau of Land Management. "National Visitor Use Monitoring Results, Pilot Test, Comparison of Hassayampa, Deschutes, and Taos Field Offices." October 2009. The Hassayampa field office provides a quality benchmark to the GBG area, given its similar geographic and visitation characteristics.

Average daily visitor expenditures by activity type were estimated in a 2005 joint USFS – Michigan State University study of NVUM data. 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.<sup>8</sup>

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 8.**  
**Primary Activities Used to Estimate Spending by Activity**

Source:  
Stynes and White, 2005; Personal  
correspondence with BLM staff.

Primary Activity
Camping
Hiking
Historical/Cultural Site Viewing
Hunting
OHV Use
Other

BLM Lower Sonoran and Yuma Field Office RMIS visitation data for FY 2012 also indicated the various activities of survey respondents. The study team tabulated RMIS visitation data by activity type and location, and used the spending patterns by activity described in the 2005 USFS NVUM study (adjusted for inflation) to arrive at estimated spending by activity and by market segment (day and overnight user).

Using these estimates, current overall GBG area visitor spending is estimated to be about \$910,600 per year. Figure 9 on the next page presents a cross-tabulation of spending by activity and by visitor type.

<sup>8</sup> Stynes and White, 2005.

# Current Visitation and Spending

**Figure 9.**  
**Current Estimated Annual Great Bend of the Gila Area Direct Visitor Expenditures by Activity**

Activity Type	<i>Day</i>	<i>Overnight on BLM</i>	<i>Overnight off BLM</i>	<i>Non- Primary</i>	Total
Camping	\$ 98,400	\$ 16,600	\$ 48,300	\$ 88,500	\$ 251,800
Cultural/Historical Site Viewing	136,600	33,400	87,400	167,300	424,700
Hiking	11,000	2,500	6,300	21,100	40,900
Hunting	18,600	4,500	9,400	17,900	50,400
OHV	38,600	6,000	16,800	36,000	97,400
Other	16,500	3,200	8,900	16,800	45,400
<b>Total</b>	<b>\$ 319,700</b>	<b>\$ 66,200</b>	<b>\$ 177,100</b>	<b>\$ 347,600</b>	<b>\$ 910,600</b>

Note: Dollar values adjusted for inflation and expressed in 2012 dollars.

Source: BBC Research & Consulting from FY2012 RMIS, 2005 and 2009 NVUM data.

# Current Visitation and Spending

## Annual Operations

In addition to visitor spending, the GBG area currently receives roughly \$55,000 each year in federal funding for salaries, recurring contracts, and operational expenses.<sup>9</sup>

## Grazing

The proposed national monument area also provides some economic benefit to the community through a limited amount of ongoing livestock grazing. The small economic impact of grazing in the GBG area is not estimated and would likely not change as a result of potential designation.

## Total Operational and Visitor Spending

Combining annual direct operational spending by the BLM with annual visitor expenditures yields a combined annual direct economic impact of about \$965,600. Figure 10 provides a summary table.

**Figure 10.**  
**Total Operational and Visitor Spending**

Direct Spending	
Visitation	\$ 910,600
Federal expenditure	55,000
<b>Total \$</b>	<b>965,600</b>

Note: Dollar values adjusted for inflation and expressed in 2012 dollars.

Source: BBC Research & Consulting, 2012.

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<sup>9</sup> Federal spending data from personal correspondence with BLM staff, June 2013.

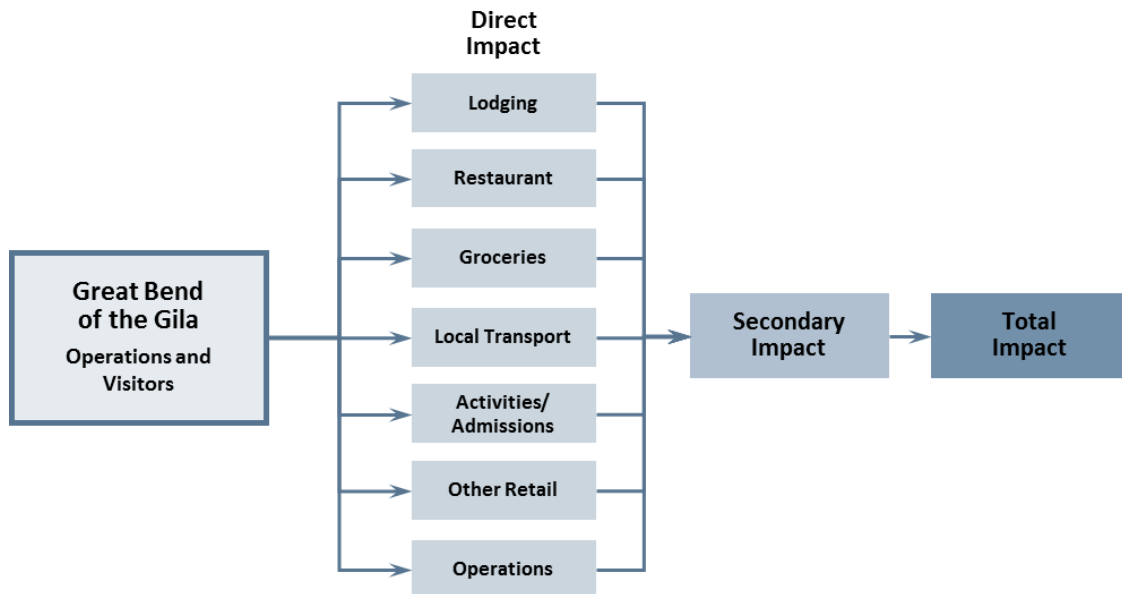
# Spending Flow Model

The direct impact, discussed above, only represents a portion of the total impact of GBG on the local economy. Spending generated by GBG 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 GBG 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 Maricopa and Yuma Counties. This study area was chosen because it is a functioning economic unit and will capture most project-related impacts.<sup>10</sup>

To determine the total current economic impact of GBG (the direct impact plus the secondary impacts), BBC developed a spending flow model — shown in Figure 11 at right — to trace the flow of dollars and associated employment generated by GBG through the local economy.

**Figure 11.**  
**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.<sup>11</sup>

<sup>10</sup> See Page 7 for a more detailed description of the economic study area.

<sup>11</sup> For more information on IMPLAN, refer to <<http://implan.com/>>

# Total Economic Impacts — Annual Operations and Visitation

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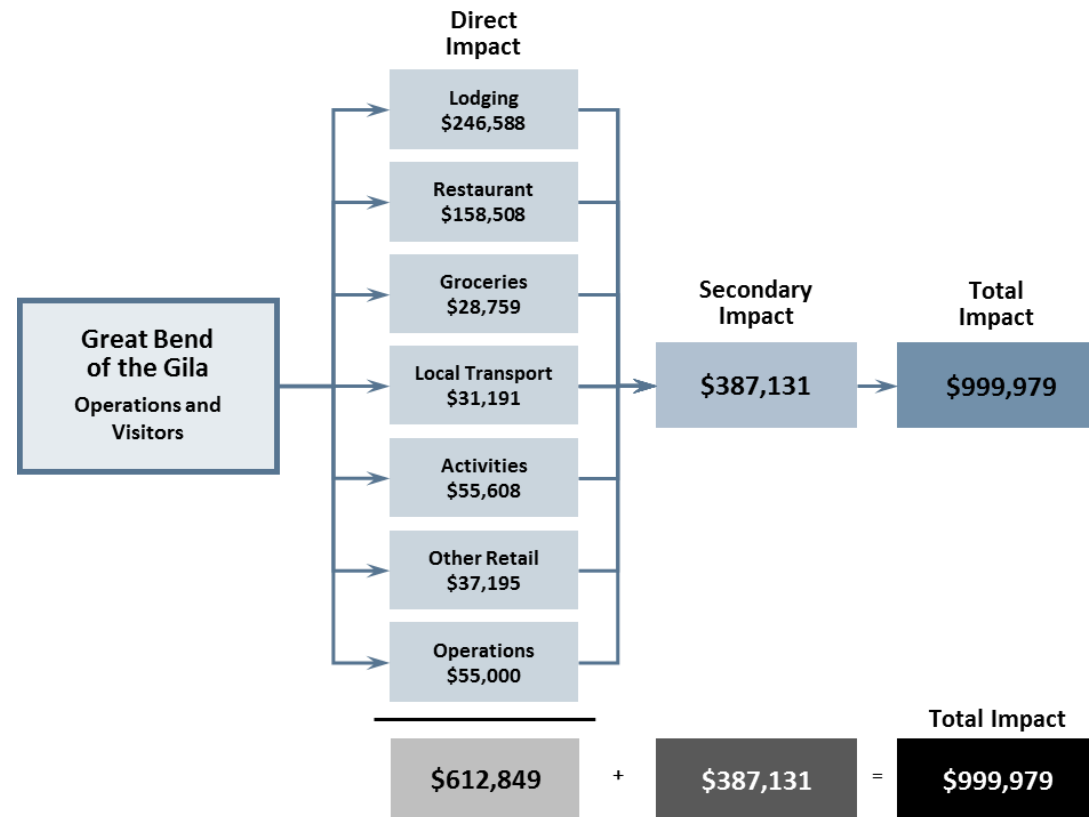
## Total Economic Impact

Including direct and secondary impacts, GBG currently has a total estimated economic impact of about \$1 million per year, as illustrated in Figure 12. This figure includes economic activity generated by annual visitor and operation expenditures.

The direct impact number presented in Figure 12 (\$612,849) differs from the spending numbers presented in Figure 10 because retail expenditures are treated differently than other categories in the IMPLAN model.

Most products purchased at retail establishments are manufactured outside of the Maricopa County/Yuma 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 12.  
Great Bend of the Gila, Total Annual Economic Impact, Maricopa and Yuma 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

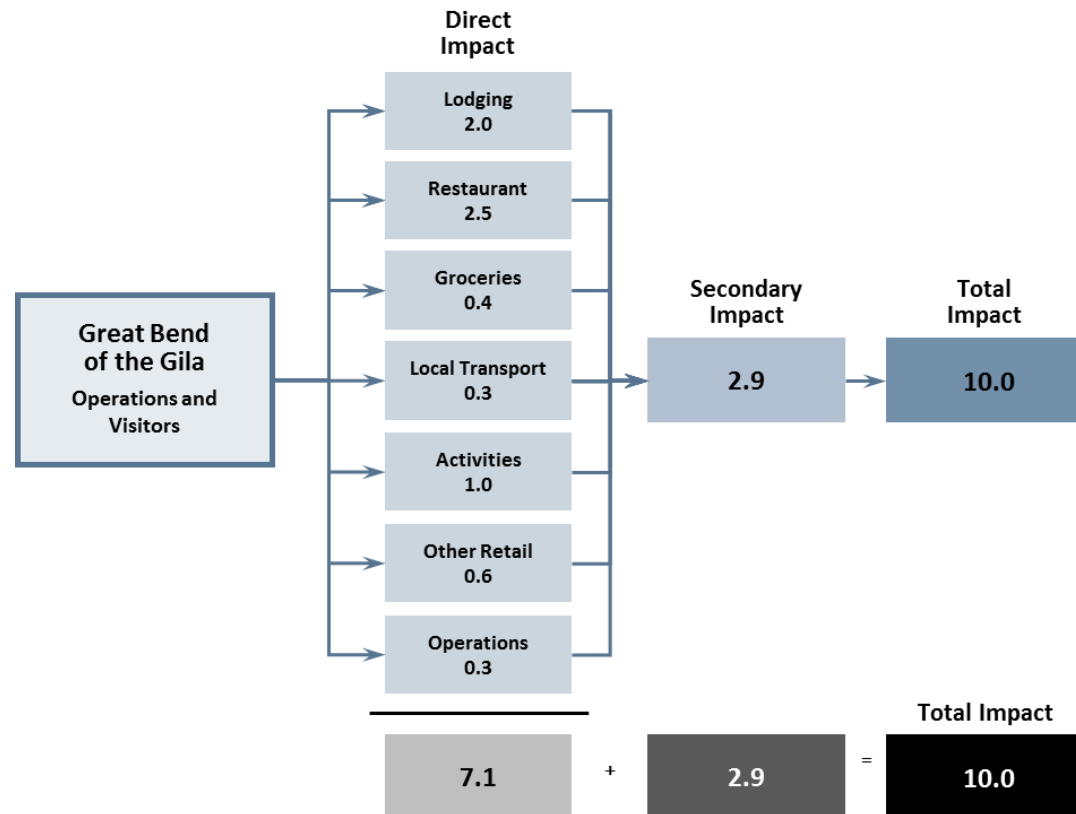
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## Impact on Employment

Economic activity generated by GBG operations and visitation currently supports approximately 10 jobs per year in Maricopa and Yuma Counties, as shown in Figure 13.

Figure 13.

Great Bend of the Gila, Total Annual Employment Impact, Maricopa and Yuma County Region



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

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, will increase awareness of the unique historic and cultural resources contained in the proposal area and 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. National monument selection for the benchmark analysis is based on site similarities to GBG (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<sup>12</sup>.

Data sources include interviews with staff at recently-designated sites and visitation data from the BLM RMIS.<sup>13</sup> However, there are some limitations in the data and, therefore the national monuments, which 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 national monuments designated in late

2000 or 2001 are useful benchmarks. Therefore, the relevant list of potential benchmarks is limited to Sonoran Desert, Kasha-Katuwe Tent Rocks, Carrizo Plain and Upper Missouri River Breaks.<sup>14</sup>

Upon further examination, Sonoran Desert National Monument serves as a uniquely applicable benchmark for a number of reasons. It is adjacent to the GBG area, and the two areas fall within a similar desert landscape and offer comparable recreational activities including petroglyph and historic trail viewing.

Current visitation to GBG is roughly equivalent to that of Sonoran Desert in the year prior to its national monument designation. Because of its adjacent location, similar characteristics, and comparable visitation, Sonoran Desert's post-designation visitation growth serves as an appropriate visitation projection benchmark for GBG.

Figure 14 on the next page provides visitation totals for both areas during the year prior to national monument designation (proposed designation in the case of GBG) and five years after designation. The percentage of visitation growth Sonoran Desert National Monument experienced was applied to GBG's current visitation. Based on this projection, BBC estimates post-designation visitation for GBG to be about 39,850.

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<sup>12</sup> Agua Fria, Ironwood Forest, and Sonoran Desert National Monuments are also located in Arizona. Prehistoric Trackways and Kasha-Katuwe Tent Rocks are in neighboring New Mexico. Cascade Siskiyou is in Oregon, Carrizo Plain is in California, Upper Missouri River Breaks in in Montana, and Canyon of the Ancients is in Colorado.

<sup>13</sup> All national monuments that fit the selection criteria are managed by the BLM.

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<sup>14</sup> 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.

# National Monument Designation

**Figure 14.**  
**Visitation Increase Compared to Pre-designation**

	Visitation	Percent Growth
Sonoran Desert National Monument		
Year Prior to Designation (2001)	16,330	
Five Years Later (2006)	38,870	138%
Great Bend of the Gila National Monument (Proposed)		
Year Prior to Proposed Designation (2012)	16,740	
Five-Year Projection (2017)	39,850	138%

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

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. Phenomena such as the September 2001 terrorist attacks, fuel price spikes in 2007, and the 2008 financial crisis have substantial impact on BLM land visitation. Unforeseen factors such as these will undoubtedly affect future visitation to the GBG area.

Visitation among different activity groups will be impacted more than others. For instance, 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. Conversely, visitors seeking cultural experiences related to the petroglyphs and historic trails are likely to increase in number because of the potentially heightened profile of such offerings.

Given the proposed national monument's proximity to Sonoran Desert National Monument, the two areas would possibly benefit from a compounding visitation effect, as more visitors could be attracted to the region because of its multiple national monuments

which would be easily visited during the same excursion. This analysis does not account for such a compounding effect. If such visitation compounding were to take place, future visitation to the GBG area could be greater than the results of this analysis.

BBC's estimated post-designation visitation growth scenario includes 138 percent increase. In sum, visitation is expected to increase from about 16,740 to approximately 39,850 after designation.

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

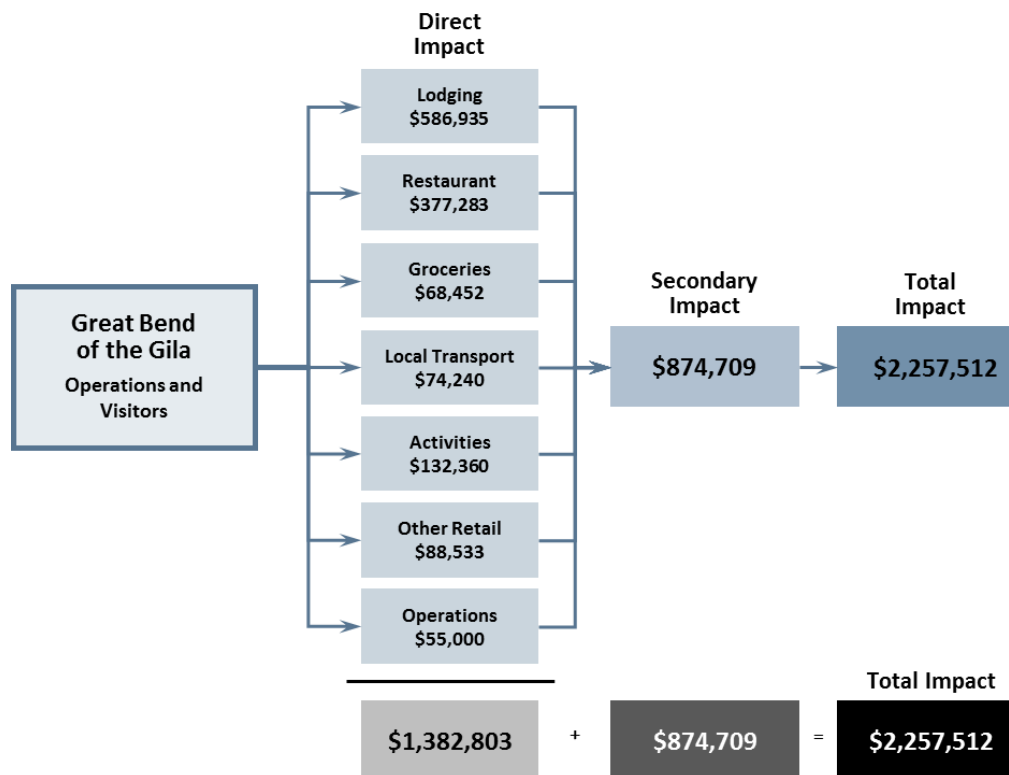
Figure 15 on the next page presents the expected economic impact of the proposed Great Bend of the Gila National Monument following designation. The figure presents estimates for each spending category after national monument designation. BBC assumed that the distribution of visitors (i.e., day and overnight users) would continue to resemble the current visitor distribution. Although annual operations spending may 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 15, the expected annual economic impacts of national monument designation could reach \$2.3 million, which represents an increase of approximately \$1.3 million in regional economic activity.

# National Monument Designation

As shown in Figure 15, the expected annual economic impacts of national monument designation could reach \$2.3 million, which represents an increase of approximately \$1.3 million in regional economic activity.

**Figure 15.**  
**Post-National Monument Designation Total Annual Economic Impact—Output**

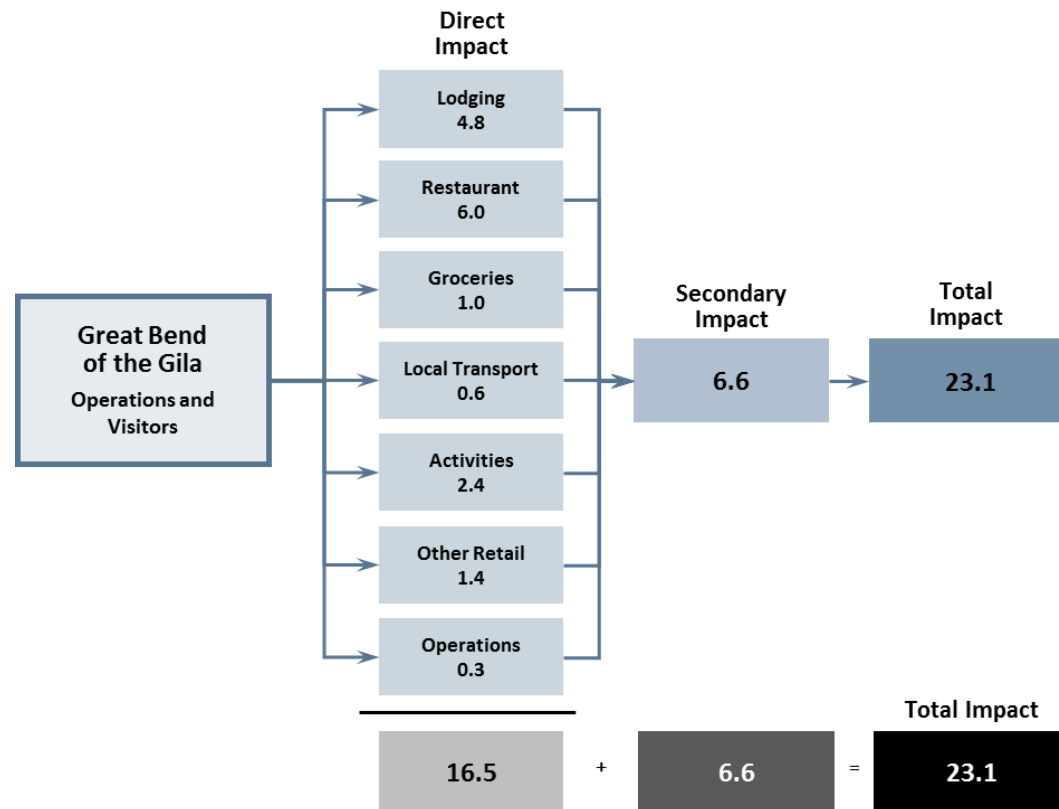


Note: Direct Expenditures reported net of taxes (sales, lodging and excise).

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

Figure 16 presents the projected employment impacts associated with national monument designation. Visitor spending associated with GBG currently supports roughly 10 jobs. Following national monument designation, employment supported would be expected to increase to about 23 jobs, an increase of 13 jobs.

**Figure 16.**  
**Post-National Monument Designation Total Annual Economic Impact—Employment**



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

# Other Economic Impacts

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

## Fiscal Impact Analysis Approach

Direct and indirect spending generated by current and potential future GBG visitors has a wide range of state- and local-level fiscal impacts. The principal 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 Maricopa and Yuma 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 GBG operation and visitation currently generates about \$75,000 annually in total state and local tax revenue. About 48 percent or \$36,000 of this tax revenue is state and local sales tax revenue.

Figure 17 summarizes the total estimated state and local tax revenue attributable to current and expected future operational and visitor spending at GBG.

**Figure 17.**  
**Current and Post-Designation State and Local Tax Revenue**

Category	Direct	Secondary	Total
Current State and Local Tax Revenue	\$ 53,065	\$ 21,692	\$ 74,757
Post Designation State and Local Tax Revenue	125,263	48,840	174,103
<i>Net State and Local Tax Revenue</i>	<i>\$ 72,198</i>	<i>\$ 27,148</i>	<i>\$ 99,346</i>

Source: IMPLAN Economic Model; BBC Research & Consulting

Following national monument designation, GBG operations and visitor spending is expected to generate about \$174,000 per year in total combined state and local government tax revenue. State and local sales tax revenue accounts for \$84,000 of that figure, roughly half of all state and local tax revenue.

The incremental increase in state and local tax revenue is estimated to be about \$99,000. This addition to local and state government budgets is likely to add to the public services provided in the communities immediately surrounding the GBG area.

## Other Economic Impacts

In addition to generating increased economic activity, tax revenues and employment in the region, GBG National Monument designation will have other, non-quantifiable benefits.

National monument designation will increase the likelihood of securing funding for a higher degree of natural resource protection and habitat restoration. National monument designation will also increase the likelihood of securing future funding for ongoing cultural and archaeological research, stabilization and restoration and education and interpretation. Archaeological and cultural sites are prevalent at GBG, and additional funds could help preserve

## Other Economic Impacts

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those currently unprotected and allow scientific research and preservation work.

The projections in this report hold constant current levels of infrastructure and visitation-related investment. The heightened profile that would result from potential designation may spur additional private investment in the area (e.g., new hotel or restaurant catering to visitors). Such additional investment would likely bolster future economic impacts beyond the projections of this report.

Towns just outside of the two-county study area, such as Casa Grande and Tucson, may also experience some economic benefit, as a limited portion of visitors are likely to visit such communities during their travels to the GBG area.

Ensuring that GBG's cultural, historic and natural assets are protected in perpetuity provides an opportunity for future generations to enjoy Southern Arizona's heritage 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.