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AGRICULTURAL LAND USE AND ECONOMIC TRENDS IN FOUR NORTH-CENTRAL COLORADO MOUNTAIN COUNTIES: ROUTT, JACKSON, GRANT AND SUMMIT

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- *Cattle ranching and mining are giving way to second homebuyers, telecommuters, recreationists, retirees and tourists.*
- *Some 2/3 of the economic base is tourism and retirees.*
- *Agricultural production has diminished importance. But private land stewardship toward common objectives is of the utmost importance.*

Introduction

Routt, Jackson, Grand and Summit Counties are located in mountainous north-central Colorado. Cattle ranching and/or mining traditionally drove the economies of these counties. Due to their substantial natural beauty and local, state and national socio-economic forces, second homebuyers, telecommuters, recreationists, retirees and tourists increasingly influence them. In this report, the general land use and economic trends affecting Colorado and the four county region are reviewed concentrating on the forces of change in each of the focus counties.

Colorado Rural Land Use: General Perspectives

The total land area of Colorado is 66.6 million acres. In 1997, Colorado had 49% of its total land area in farms (19%) and ranches (30%), 36% was federally owned, 5% was state owned, 8% was other rural land and 3% was developed (Table 1). The 32.6 million acres of private land were spread among 29,500 farms and ranches, for an average size of 1,101 acres. From 1987 to 1997, land was converted out of agriculture at rate of 141,000 acres per year, or about 1/2% of remaining agricultural land converted per year. In the latter half of the decade, the rate of conversion increased to 270,000 acres per year. By 1999, Colorado had 31.8 million acres on 29,000 agricultural operations for an average size of 1,097 acres (Obermann et al., 2000; CASS, 2000). Colorado agricultural lands are being converted to urban uses, public lands and “low” density 35-acre ranchettes. A patchwork of 35-acre ranchettes is low density from an urban perspective, but represents a substantial increase in housing density to most rural areas of Colorado.

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Table 1 shows that Routt, Jackson, Grand and Summit county lands are under substantial non-local control both in absolute terms and relative to most of Colorado. High proportions of federal and state land often indicate high amounts of natural amenities, but also imply that local living standards can be particularly sensitive to changes in federal and state policy. When fewer than ½ of county lands are under the direct guidance of local individuals and elected officials, local land use planning decisions can have an amplified influence on the stock of local developable lands.

Growth, Affluence and Land Use

Much of the conversion of agricultural lands can be attributed to an extended period of remarkable growth and affluence in Colorado (Table 3). Colorado now has the fifth highest and second fastest growing per capita income in the nation. Colorado's population has been growing at an annual average rate of 3% since 1990, which is over twice the national rate. The service sector, including high tech firms, second homebuyers and retirees are driving much of our growth, creating new opportunities and challenges for Colorado communities.

Population and prosperity are not growing uniformly across the state or across rural Colorado. Generally, the I-25 and I-70 corridors and high natural and infrastructural amenity communities are growing more populous and richer at a faster rate than the rest of the state. Many rural and agriculturally dependent communities are among the slower growing and poorer regions of the state. The number and proportion of Coloradoans employed in agriculture is slowly declining. Average incomes in the agricultural sector are second lowest (to retail) in the state. Higher rates of growth and larger disparities in affluence in or near rural areas increase the pressure to irreversibly convert lands from agricultural to residential or commercial uses.

Table 2 shows that Grand, Summit and Routt counties are growing at a rate well higher than Colorado as a whole, while Jackson County shows slow or negative population growth. Job growth has been strong across all four counties, although a decreasing rate of job growth is observed as well. Population growth at a rate greater than job growth may be indicative of the role of retirees in the growth of these counties.

Table 1: Colorado Land Ownership Summary, by county (acres)

County	Total Land Area (acres)	State Land (acres)	Federal Land (acres)	Private Land (acres)	State & Federal Land (%)	Private Land (%)
Grand	1,195,857	65,520	810,192	323,145	73	27
Jackson	1,036,497	124,765	541,073	370,659	64	36
Routt	1,511,706	70,236	670,007	771,463	49	51
Summit	396,103	670	307,380	88,054	78	22
Colorado Total	66,614,080	3,318,346	24,615,790	38,679,945	42	58

Source: Colorado Department of Agriculture, 1997

Table 2: North-central Colorado Labor and Population statistics

Category-County	1980	1985	1999	2000**	2005*	2010*
Total population (annual % change)						
Grand	8,006	9,953 (4.4)	11,995 (4.8)	12,510 (4.3)	14,430 (2.9)	16,677 (2.9)
Jackson	1,597	1,609 (0.1)	1,582 (-0.4)	1,586 (0.3)	1,727 (1.7)	1,898 (1.9)
Routt	14,172	17,254 (4.0)	19,224 (2.7)	19,798 (3.0)	22,367 (2.5)	24,990 (2.2)
Summit	12,939	18,270 (7.1)	22,568 (5.4)	23,678 (4.9)	28,140 (3.5)	32,510 (2.9)
Total jobs (annual % change)						
Grand	5,600	7,154 (5.0)	8,325 (3.9)	8,405 (1.0)	9,437 (2.3)	10,196 (1.6)
Jackson	823	774 (-1.2)	919 (4.4)	983 (6.9)	1,010 (0.6)	1,012 (0.0)
Routt	12,209	15,145 (4.4)	18,217 (4.7)	18,555 (1.9)	22,411 (3.8)	25,360 (2.5)
Summit	14,498	20,113 (6.8)	23,545 (4.0)	24,220 (2.9)	30,303 (4.6)	35,013 (2.9)

*= projected. ** = July 2000. Source: Demography Section, Colorado Department of Local Affairs, 2001

Table 3 indicates that the average wages in these mountain counties remained lower than the state as a whole. Moreover, with the exception of Summit County, wages in these counties lost ground relative to the Front Range dominated state average. However, personal income in Grand, Routt and Summit Counties has outpaced the substantial overall income growth in Colorado over the past decade, while income in Jackson County fell still further behind the state average.

Returns to Agriculture

Most private land in the state and in this region is held in agriculture (Table 4). Routt, Grand and Jackson Counties have long traditions in the beef cattle and sheep industries (Tables 4 and 5). Generally speaking, agricultural land in this region is either dedicated rangeland or pastureland or is planted in hay to feed cattle. While production agriculture provides a large portion of Jackson County's economic base, agricultural goods and services are less important to the economies of Summit, Routt and Grand counties. However, the goods and services produced on agricultural lands are only a portion of the direct and indirect economic services they provide. Rural lifestyles, wildlife habitat, water filtration and retention, open space and scenic viewscapes are all highly valued features of the mountain environment provided by agricultural lands, but not necessarily considered in economic estimations.

Economic returns to agricultural production cannot compete with more intensive land use alternatives in a growing economy. Even in years of good agricultural commodity prices, conversion to residential or commercial uses will be more profitable for landowners in growth areas. Adequate water is, perhaps, the single most important determinant of agricultural profitability in Colorado. Speculatory and actual residential demand are making transferable water rights the most valuable asset in an agricultural producer's portfolio. The

Table 3: North-central Colorado Income and Wage statistics, 1990-1999

	Personal Income ($1000)			Average wage ($1000)		
	1990	1999	% Change	1990	1999	% Change
Colorado	65,094,513	127,903,519	96%	22,428	33,493	49%
Grand	137,112	278,711	103%	14,537	20,310	40%
Jackson	22,358	30,034	34%	15,747	18,130	15%
Routt	301,301	596,675	98%	18,412	26,847	46%
Summit	295,979	737,394	149%	16,110	24,526	52%

Source: U.S. Department of Commerce, Bureau of Economic Analysis, 2001

Table 4: North-Central Colorado Farm and Agribusiness Employment and Income, 1997

County	Employment	Income ($1000)	Sales ($1000)
Farm Gate			
Grand	184	-817	8,833
Jackson	290	4,112	15,593
Routt	431	531	22,858
Summit	0	-744	1,511
Agribusiness			
Grand	257	37	11,308
Jackson	314	4,397	16,401
Routt	607	3,940	30,492
Summit	173	2,689	9,011
% of County			
Grand	3.4	0.0	n.a.
Jackson	25.2	17.4	n.a.
Routt	3.7	0.8	n.a.
Summit	0.9	0.4	n.a.

Source: Hine et al., 2000.

Table 5: North-Central Colorado Farms and Land in Farms, 1992-1997

County	Agricultural Producers	Ranches	Land in Agricultural Production	Land in Pasture & Range	Average Size Agricultural Operation	Average Size Ranch
1992						
Grand	149	87	251,202	183,556	1,560	2,110
Jackson	126	99	472,018	336,305	3,746	3,397
Routt	438	254	576,397	436,798	1,316	1,720
Summit	35	12	38,467	24,878	1,749	2,073
1997						
Grand	161	96	299,142	174,789	2,008	1,821
Jackson	126	98	477,063	335,468	3,786	3,423
Routt	494	257	520,618	360,405	1,054	1,402
Summit	22	17	34,541	15,675	987	922
% Change						
Grand	0.08	0.10	-0.16	-0.05	-0.22	-0.14
Jackson	0.00	-0.01	0.01	0.00	0.01	0.01
Routt	0.13	0.01	-0.10	-0.17	-0.20	-0.18
Summit	-0.37	0.42	-0.10	-0.37	-0.44	-0.56

Source: CASS, 1999.

conversion of agricultural water rights to urban uses increases the likelihood that the land will become unprofitable for agricultural production and will either fall idle or be converted into more intensive uses.

Except for Jackson County, this region has experienced a substantial decrease in the amount of land in agricultural production since 1992 and an even more marked decrease in the average size of agricultural operation in these counties due to population growth and subdivision of existing operations. Summit County has experienced the most noticeable decrease, although this is in part due to the relatively small amount of private land in the county. Where the number of agricultural operations has increased, there tends to be a commensurate increase in "ranches" as opposed to cropland. This is likely an artifact of the data and many of these "ranches" are probably lifestyle farms, recreational facilities, or not in production at all (Table 5).

Table 6 highlights the importance of economic sectors that are a direct result of the spectacular natural amenities and agreeable lifestyle of these mountain counties. Tourism is responsible for more than 2/3 of the employment and half of the income in Grand, Routt and Summit Counties. Retirees provide more directly measurable economic activity than agriculture in these counties. In Jackson County, tourism (mostly hunting) provides almost 17 percent of the employment base and 12 percent of the total income in the county. Retirees and tourism combined provide almost 30% of the employment and more than 50% if the total base industry income to Jackson County.

Conclusions

In this report, the general land use and economic trends affecting Colorado and the north-central mountain region described by Grand, Jackson, Routt and Summit Counties were reviewed. These counties were traditionally dependent upon agriculture and mining. However, due to their substantial natural beauty and local, state and national socioeconomic forces, second homebuyers, telecommuters, recreationists, retirees and tourists increasingly influence them. Although the direct role of production agriculture in the economies of these counties is diminishing, stewardship of the land toward both public and private objectives has never been more important and almost all private land in these counties is found on agricultural operations. Appropriate private and public resource stewardship and thoughtful community planning can enhance the contribution of the evolving and increasingly complex economic base to improve the well being of current and future residents of this region.

Table 6: North-central Colorado Economic Base, selected statistics, 1999

Base industry-County	Employment	% of total base industry employment	Income ($1000)	% of total base industry income
Tourism				
Grand	4,390	83.5	86,376	68.3
Jackson	78	16.9	1,260	11.8
Routt	6,273	66.9	131,331	55.1
Summit	13,509	86.3	319,649	84.1
Retirees				
Grand	395	7.5	16,577	13.1
Jackson	60	13.0	4,247	39.6
Routt	425	4.5	16,633	7.0
Summit	221	1.4	13,575	3.6
Total (including sectors other than Retirees and Tourism)				
Grand	5,258	100.0	126,518	100.0
Jackson	460	100.0	10,718	100.0
Routt	9,372	100.0	238,393	100.0
Summit	15,656	100.0	380,282	100.0

Source: Demography Section, Colorado Department of Local Affairs, 2001

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