



Economic Impacts of National Monument Designation

Organ Mountains – Desert Peaks, New Mexico



FINAL REPORT

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Organ Mountains – Desert Peaks, New Mexico

Prepared for

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Table of Contents

Executive Summary	1
Background and Methodology	5
Study Area	8
Current Visitation and Spending	10
Spending Flow Model	14
Total Economic Impacts— Annual Operations and Visitation	15
National Monument Designation.....	17
Other Economic Impacts	21

Executive Summary

The current operations and visitor spending associated with the Organ Mountains – Desert Peaks (OMDP) area in Doña Ana County, New Mexico provide benefits to the local economy and generate tax revenue for local governments. Local elected officials and stakeholders are recommending the OMDP 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 OMDP area and the projected economic and fiscal impacts associated with its potential designation as a national monument. This study identifies current operational characteristics of the OMDP area and projects economic and fiscal impacts associated with its potential designation as a national monument.

OMDP includes four non-contiguous segments adjacent to the city of Las Cruces, New Mexico. The proposed monument is also about 30 miles northwest of El Paso, Texas. It would encompass several Areas of Critical Environmental Concern (ACECs)¹ and is adjacent to the existing Prehistoric Trackways National Monument. The Las Cruces Field Office of the BLM currently manages the 502,700 acres in the proposed monument for multiple uses, including recreation and archeological research.

Changing the designation of public land is expected to have a significant positive effect on the local or regional economy. A public land designation, such as a national monument, may signal enhanced visitor experience, increasing visitation.

¹ 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.

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

BBC quantified current annual economic impacts of OMDP 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.

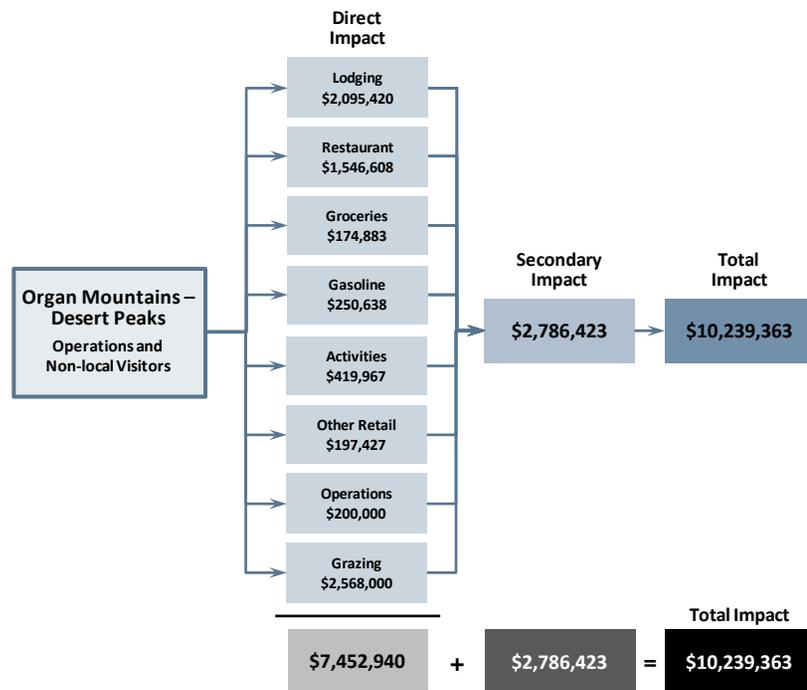
As shown in Figure 1 on the following page, OMDP currently has a total annual economic impact of about \$10.2 million per year, including direct and secondary impacts.

Figure 2 shows the employment impacts associated with current operations and visitor spending at OMDP. Economic activity generated by OMDP operations and visitation supports an estimated 100 jobs per year in Doña Ana and El Paso Counties.

Figure 3 on page 3 presents the expected economic impact of the proposed OMDP National Monument following designation. The expected annual economic impacts of National Monument designation could reach \$17.6 million, which represents an increase of approximately \$7.4 million in regional economic activity.

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 188 jobs, an increase of 88 jobs.

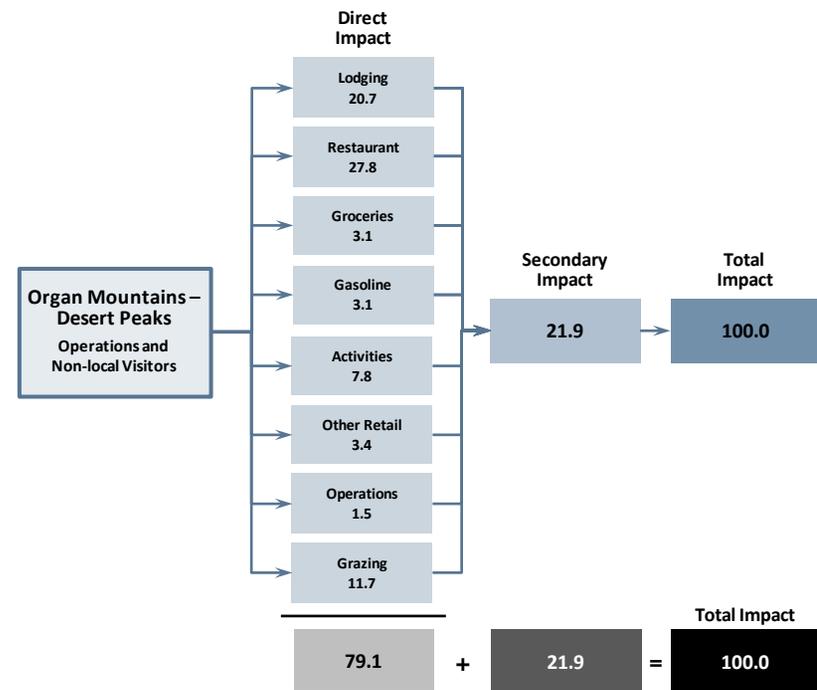
Figure 1.
Organ Mountains – Desert Peaks, Current Total Annual Economic Impact, Doña Ana and El Paso County Region



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

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

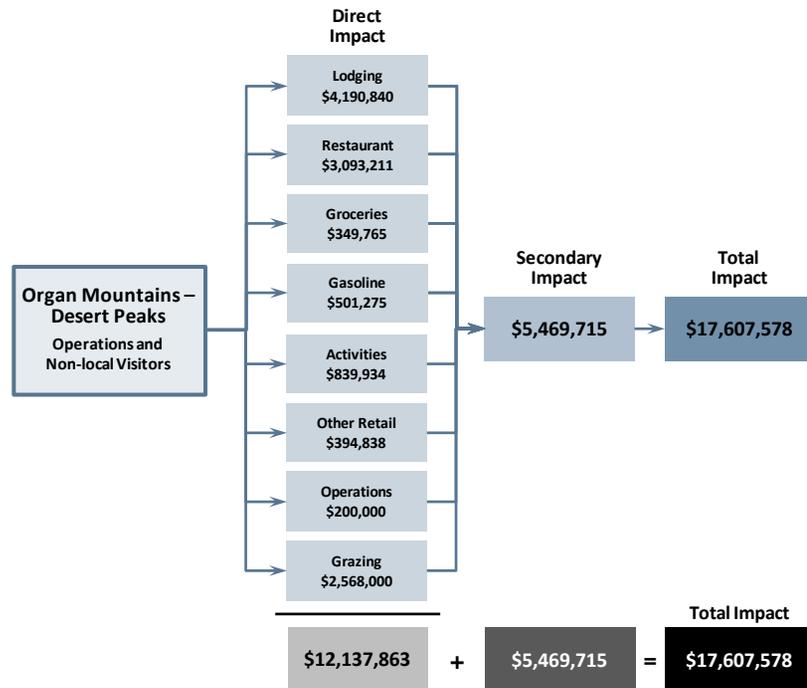
Figure 2.
Organ Mountains – Desert Peaks, Current Total Annual Employment (Jobs), Doña Ana and El Paso County Region



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

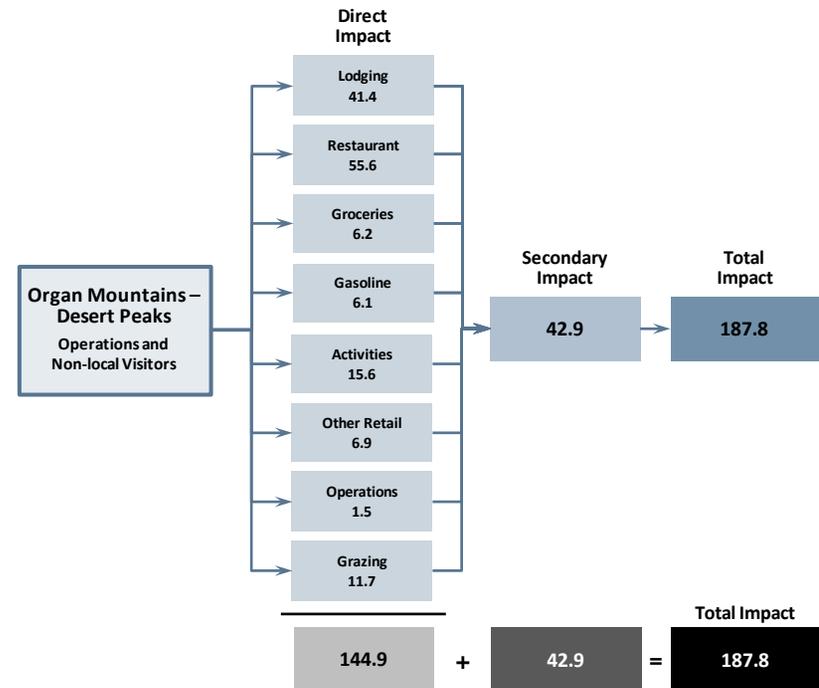
Executive Summary

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—Total
Employment (Jobs)



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

Executive Summary

Figure 5.
Current and Post-Designation State and Local Tax Revenue

Category	Direct	Secondary	Total
Current State and Local Tax Revenue	\$ 416,977	\$ 151,723	\$ 568,700
Post Designation State and Local Tax Revenue	832,867	297,335	1,130,202
<i>Net State and Local Tax Revenue</i>	<i>\$ 415,890</i>	<i>\$ 145,612</i>	<i>\$ 561,502</i>

Source: IMPLAN Economic Model; BBC Research & Consulting

Spending associated with OMDP operations and visitation currently generates about \$569,000 annually in total state and local tax revenue. Following national monument designation, OMDP operations and visitor spending are expected to generate about \$1.1 million per year in combined state and local government tax revenue, approximately doubling current revenue. Figure 5 summarizes this analysis.

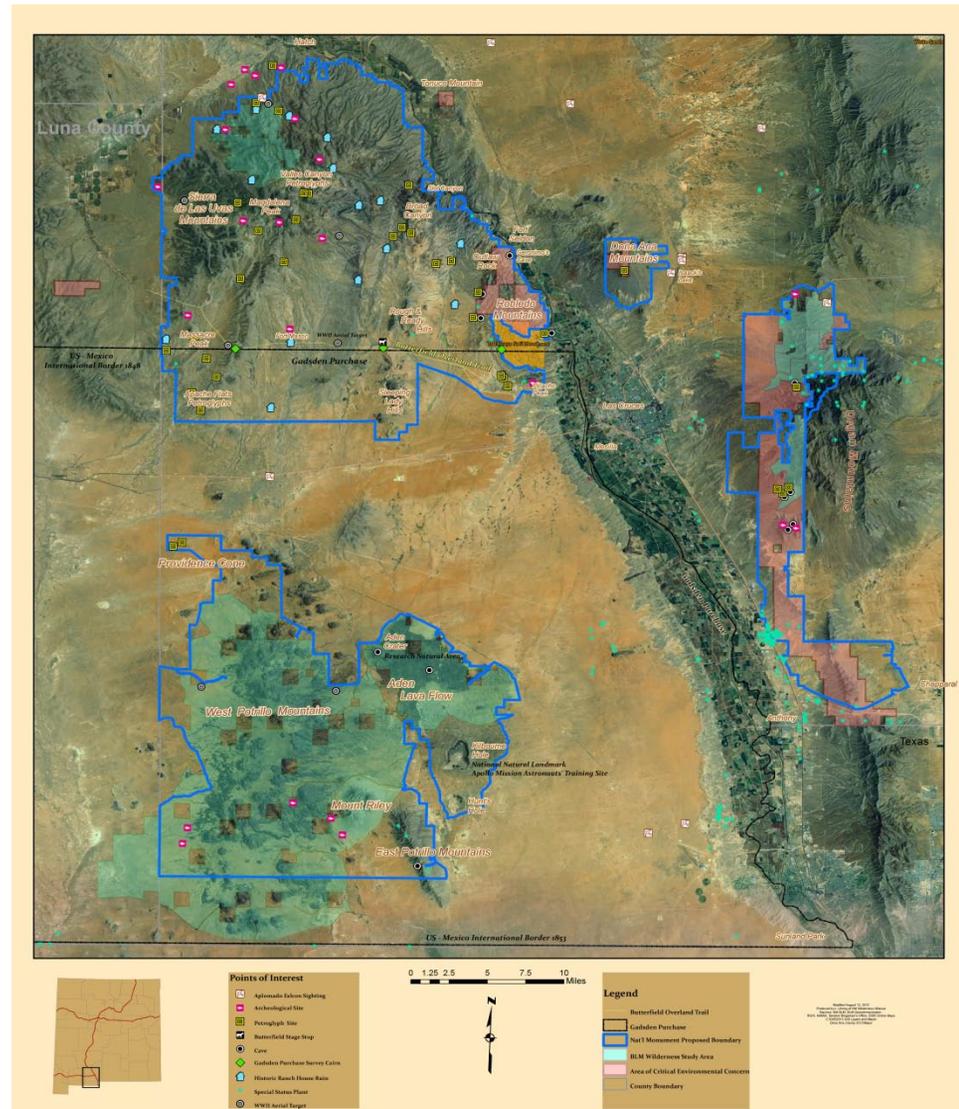
Background

The proposed OMDP National Monument is located within Doña Ana County in south central New Mexico. It includes four non-contiguous segments, portions of which are immediately adjacent to the city of Las Cruces. The proposed monument is also about 30 miles northwest of El Paso, Texas. It encompasses six mountain ranges: the Organ Mountains to the east, the Doña Ana, Robledo, and Sierra de Las Uvas Mountains to the north, and the West Potrillo and East Potrillo ranges to the south.

The Las Cruces Field Office of the BLM currently manages the 502,700 acres in the proposed monument for multiple uses, including recreation and archeological research. The proposed monument would include eight existing Wilderness Study Areas (WSAs). It would encompass several Areas of Critical Environmental Concern (ACECs) and is immediately adjacent to the existing Prehistoric Trackways National Monument.

Figure 6 at right presents a map of the proposed Organ Mountains – Desert Peaks National Monument, with monument boundaries indicated by the blue lines.

Figure 6.
Proposed Organ Mountains – Desert Peaks National Monument



Source: <http://www.OrganMountains.org>.

The OMDP area currently attracts visitors for hunting, hiking, camping, driving and other recreational activities. In addition to the area's common recreation provisions, the region is home to a number of historical and cultural attractions, including significant collections of petroglyphs and pictographs. Some of these rock carvings and formations are believed to date back thousands of years to the area's first settlers.

For thousands of years, the region has been a key component to the survival of the region's diverse wildlife and human communities. The archaeological record supports at least 8,000 years of human occupation including that of the Mimbres and Jornada peoples, Colonial Spanish, Mexican, and other Native American groups.

The OMDP area has a multitude of historical attractions to offer. The Butterfield Stagecoach Trail — a proposed National Historic Trail (NHT) — winds its way through the proposed monument. North American historical figures Geronimo and Billy the Kid left their marks on the lands at Geronimo Cave and Outlaw Rock, respectively.

The relative remoteness of the area provides benefits to wildlife by serving as a natural corridor between adjacent mountain ranges and Wilderness Areas. The area contains a variety of indigenous species including mule deer, pronghorn, jackrabbits, quail, and a variety of raptors — including golden eagles and great-horned owls.

Monument Designation and Preservation Efforts

National monuments can either be designated by Congressional legislation 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.

The Organ Mountains – Desert Peaks National Monument could be established either by way of Congressional legislation or Presidential declaration. In 2012, groups of local government officials, stakeholders, and scholars appealed to both President Barack Obama and members of the U.S. Congress in pursuit of both routes to monument designation.

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.²

Spending associated with non-local visitation 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.

Spending associated with local visitation is held constant in this analysis, as this spending does not introduce new money into the study area's local economy. Spending associated with grazing activities is also held constant in this analysis as monument designation is not expected to impact grazing.

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 Federal spending or capital investment in OMDP 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.

² For the purpose of this analysis, local visitors are defined as those that travel less than 45 miles to the OMDP area.

Background information and usage details regarding OMDP area is provided by the Bureau of Land Management (BLM). Visitation projections were developed 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,³ and BLM NVUM data.⁴ These data sources provide the most recent data collection and analysis representative of the study area.

BBC calculated the economic and fiscal benefits of OMDP National Monument designation based on estimates of visitation and direct spending. To calculate current economic impacts, BBC estimated direct spending by OMDP 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 OMDP 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

³ 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.

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

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 in the western U.S.

Report Organization

The remainder of 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 OMDP 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 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 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 Doña Ana County, New Mexico and El Paso County, Texas. The proposed OMDP monument is entirely within Doña Ana County, while the county's economy is intertwined with that of El Paso County. Both counties are expected to benefit from a national monument designation, but the majority of economic impact and job creation is anticipated to fall within Doña Ana County, New Mexico.

Interstates 10 and 25 allow easy access to the northern and eastern portions of the OMDP, while County Road B004 provides more limited access to the southern portion of the proposed Monument. Figure 7 on the following page shows a map of the regional economic area of Doña Ana and El Paso Counties.

The 2010 U.S. Census reports that the total population of Doña Ana County is about 209,000 residents, up from roughly 175,000 in 2000. The Census Bureau's American Community Survey (ACS) reports a median household income of about \$36,700 per year and a median home value of \$137,000 over 2007-2011.⁵ The average unemployment rate was 7.1 percent as of April 2013.

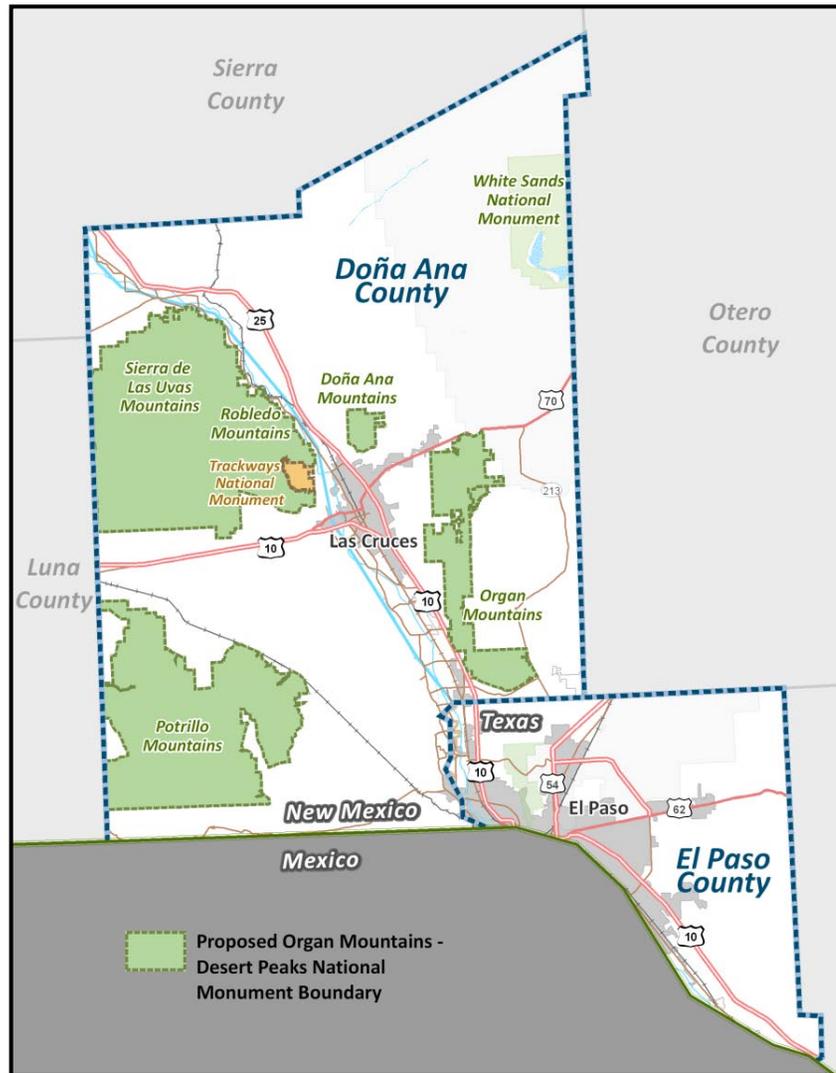
The 2010 U.S. Census reports that the population of El Paso County is about 800,100 residents, up from roughly 680,000 in 2000. Median household income is roughly \$38,300 annually with a median home value of \$108,000. The average unemployment rate in El Paso County for 2006-2010 was 7.6 percent.⁶

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

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

Study Area

Figure 7.
Doña Ana and El Paso County Regional Map



Source: BBC Research & Consulting, 2013.

Current Visitation and Spending

Organ Mountain – Desert Peaks Annual Visitation and Spending

Based on recent RMIS visitation data, BBC estimates about 183,900 visits to the OMDP area annually. Figure 8 categorizes visitation by visitor type. BBC estimated the OMDP area visitor type distribution based on BLM NVUM data, using the BLM Taos Field Office area as a benchmark.¹

The most recent NVUM data provided by the BLM indicate that about half of all visitors are local and half are non-local. Nineteen percent are non-local day users, 10 percent of all visitors are non-locals staying in hotels and 7 percent are campers. Lodgers and campers are assumed to stay one night locally to visit the OMDP area. Non-local visitors are defined as those visitors residing more than 45 miles from the proposed monument.

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 OMDP visitor that identifies visiting El Paso as a primary activity would be a non-primary visitor). Non-primary visitation accounts for about 15 percent of OMDP area visits.

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

Figure 8.
Current Estimated Visitation, Organ Mountains – Desert Peaks Area

	Visitation	Percent of Visitation
Non-Local Visitors		
Day visits	35,300	19%
Overnight on BLM land	13,600	7%
Overnight off BLM land	18,400	10%
Non-Primary Visitors	27,400	15%
Local Visitors		
Day visits	82,400	45%
Overnight on BLM land	4,600	3%
Overnight off BLM land	2,200	1%
Total	183,900	100%

Source: BLM FY2012 RIMS and BLM FY2009 NVUM reports.

¹ U. S. Bureau of Land Management. "National Visitor Use Monitoring Results, Pilot Test, Comparison of Hassayampa, Deschutes, and Taos Offices." October 2009. Because of its comparable geography and nearby location, the Taos Field Office serves as the best benchmark of the three available field office data sets.

Current Visitation and Spending

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.⁷

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. Figure 9 presents the different activities considered by the study team.

Figure 9.
Primary Activities Used to Estimate Spending by Activity

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

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

BLM Las Cruces 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 OMDP area visitor spending is estimated to be about \$8.8 million per year. Figure 10 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 10, and total about \$6.9 million for non-local visitors.

⁷Stynes and White, 2005.

Current Visitation and Spending

Figure 10.
Current Estimated Annual Organ Mountains – Desert Peaks 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	\$ 95,628	\$ 114,114	\$ 328,530	\$ 262,594	\$ 85,820	\$ 29,443	\$ 13,566	\$ 929,694
Camping	95,628	86,826	119,727	214,785	141,603	26,237	13,215	698,020
Cultural/Historical Site Viewing	143,442	226,456	323,262	406,735	173,786	44,164	23,507	1,341,351
Driving/OHV Use	285,045	260,477	435,805	656,485	407,645	67,671	33,915	2,147,043
Hiking/Climbing	102,065	156,286	396,534	464,534	128,730	28,137	14,560	1,290,846
Hunting	121,374	213,698	359,180	393,891	328,262	61,972	22,805	1,501,181
Other	92,686	107,026	234,856	246,895	150,185	28,351	14,315	874,313
Total	\$ 935,867	\$ 1,164,882	\$ 2,197,892	\$ 2,645,919	\$ 1,416,030	\$ 285,975	\$ 135,883	\$ 8,782,448
<i>Utilized in IMPLAN Analysis</i>	<i>\$ 935,867</i>	<i>\$ 1,164,882</i>	<i>\$ 2,197,892</i>	<i>\$ 2,645,919</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>\$ 6,944,560</i>

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 OMDP area currently receives approximately \$200,000 each year in federal funding for salaries, recurring contracts, and operational expenses.⁸

Grazing

The proposed monument area also provides economic benefit to the community through ongoing livestock grazing. The economic value attributed to grazing on the OMDP amounted to about \$2.6 million annually.⁹ This amount includes the value of roughly 9,100 cattle and calves and about 55 horses and ponies identified in the Rangeland Administration System (RAS) as grazing on OMDP land.

Total Operational and Visitor Spending

Combining annual direct operational spending by the BLM with annual grazing value and annual visitor expenditures yields a combined annual direct economic impact of about \$9.7 million. Figure 11 provides a summary table.

Figure 11.
Total Operational and Visitor Spending

	Direct Spending
Non-local Visitation	\$ 6,944,560
Federal Expenditure	200,000
Grazing	<u>2,568,000</u>
Total	\$ 9,712,560

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

Source: BBC Research & Consulting, 2013.

⁸ Federal spending data from personal correspondence with BLM staff, June 2013.

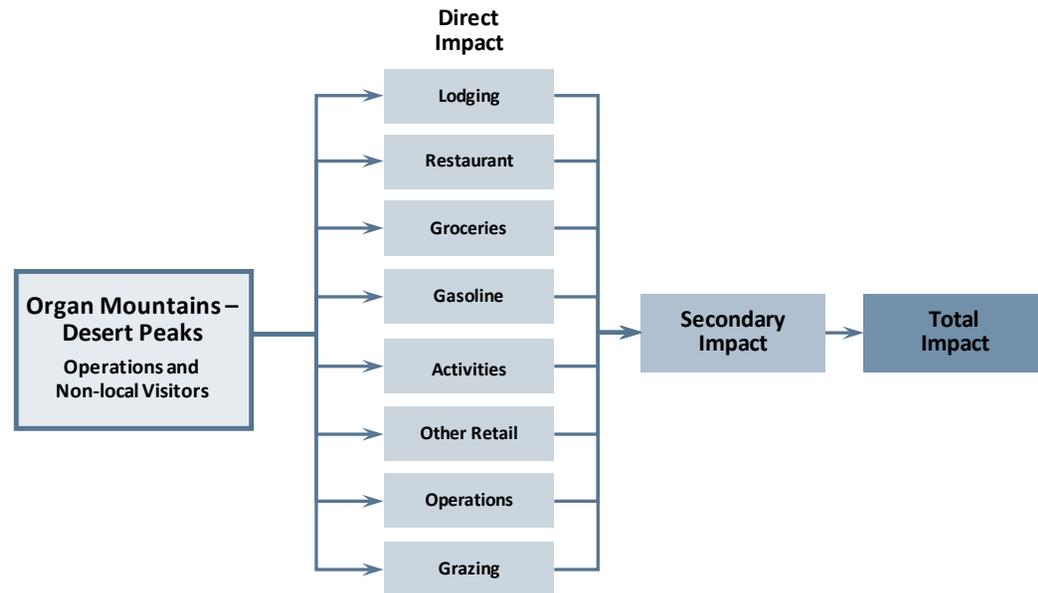
⁹ Grazing economic impacts from the BLM Rangeland Administration System (RAS) <<http://www.blm.gov/ras/>> and 2007 USDA Census of Agriculture County Profiles for the State of New Mexico and Doña Ana County.

The direct impact, discussed above, only represents a portion of the total impact of OMDP on the local economy. Spending generated by OMDP 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 OMDP 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 Doña Ana County, New Mexico and El Paso County, Texas. This study area was chosen because it is a functioning economic unit and will capture most project-related impacts.¹⁰

To determine the total current economic impact of OMDP (the direct impact plus the secondary impacts), BBC developed a spending flow model — shown in Figure 12 at right — to trace the flow of dollars and associated employment generated by OMDP through the local economy.

Figure 12.
Spending Flow Model



Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System, 2013.

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 tax revenue impacts based on the spending data discussed in the preceding section.¹¹

¹⁰ See Page 8 for a more detailed description of the economic study area.

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

Total Economic Impacts — Annual Operations and Visitation

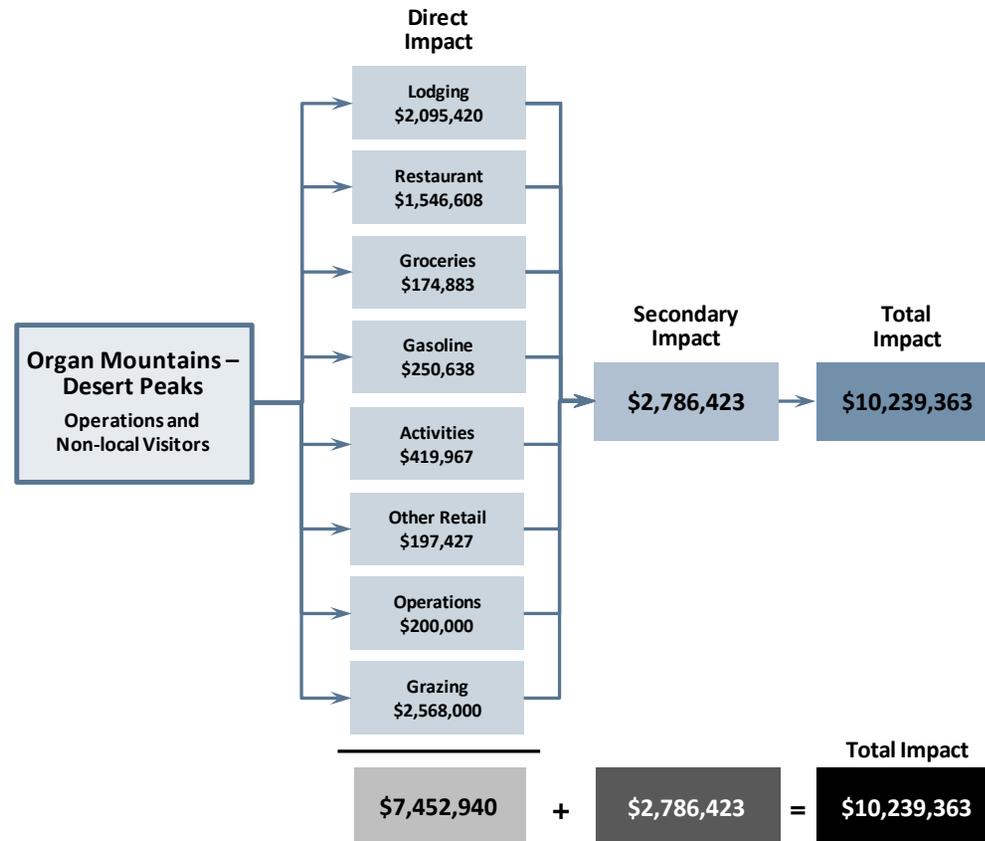
Total Economic Impact

Including direct and secondary impacts, OMDP currently has a total estimated economic impact of about \$10.2 million per year, as illustrated in Figure 13. This figure includes economic activity generated by annual non-local visitor and operations expenditures.

The direct impact number presented in Figure 13 (\$7.5 million) differs from the spending numbers presented in Figure 11 on page 13 because retail expenditures are treated differently than other categories in the IMPLAN model.

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

Figure 13.
Organ Mountains – Desert Peaks, Current Total Annual Economic Impact, Doña Ana and El Paso County Region



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

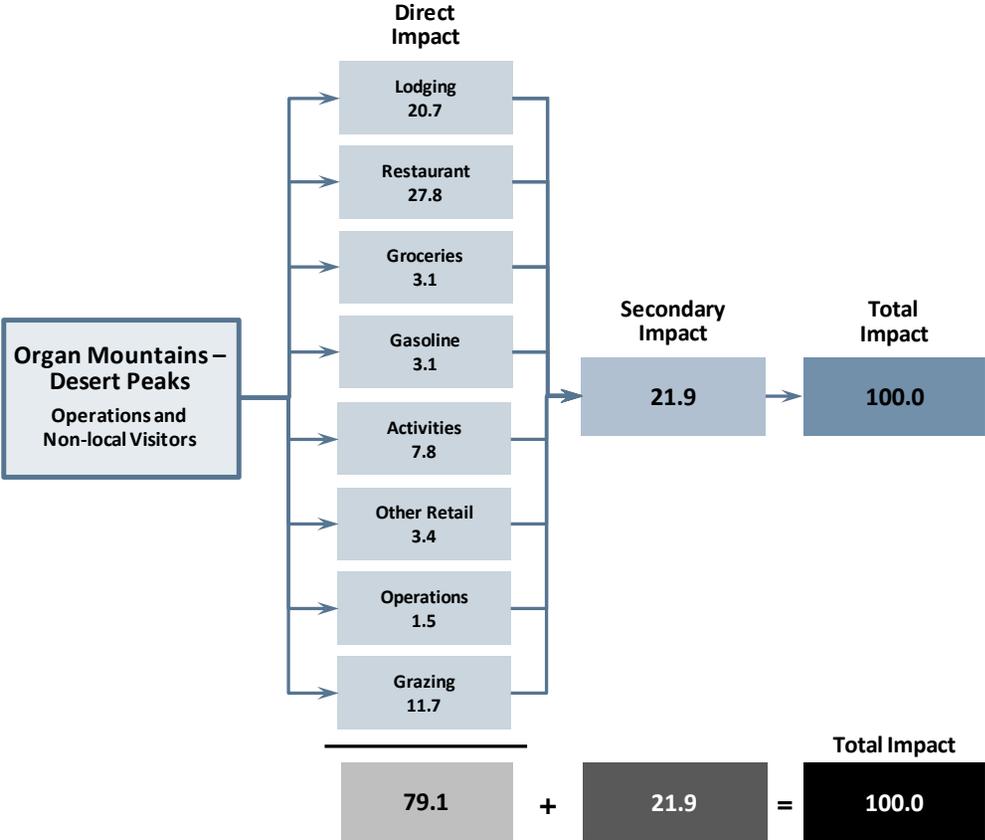
Source: BBC Research & Consulting, based on IMPLAN Regional Input-Output Modeling System.

Total Economic Impacts — Annual Operations and Visitation

Impact on Employment

Economic activity generated by OMDP operations and visitation currently supports approximately 100 jobs per year in Doña Ana and El Paso Counties, as shown in Figure 14.

Figure 14. Organ Mountains – Desert Peaks, Current Total Annual Employment (Jobs), Doña Ana and El Paso County Region



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

National Monument Designation

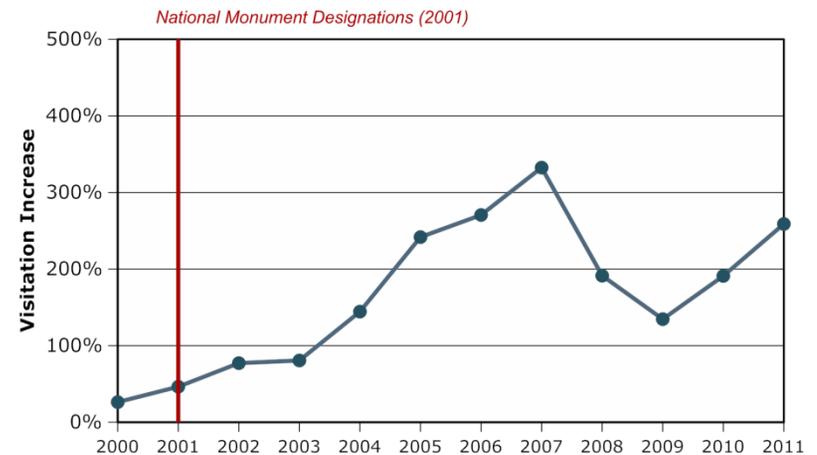
Changing the designation of public land may have a significant effect on the local or regional economy. A public land designation, such as a national monument, may signal an enhanced quality of a potential visitor experience, and this could have substantial effects on visitation.

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 OMDP (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.¹² However, there are some limitations in the data and therefore the number of 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.¹³ Because of its recent designation in 2009, appropriate visitation data for Prehistoric Trackways National Monument were not available.

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 15 below shows the average annual visitation increase compared to pre-designation visitation.

Figure 15.
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 it 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. Despite the decline, visitation remained greater than in pre-designation years. In recent years, visitation growth looks to be returning to levels found prior to 2008.

¹² All monuments that fit the selection criteria are managed by the BLM.

¹³ 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.

In summary, national monument designation does 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.

As shown in Figure 8 on page 10, a significant portion of visitors to OMDP are from the local area. Because of the heightened profile of the area's many features, local visitation is projected to increase in addition to non-local visitation. Spending associated with additional local OMDP visitation is not included in the analysis as it is not considered new economic activity in a strict sense. However, if new businesses are established or if local residents divert their savings to OMDP related spending, this could be considered new economic activity. In an effort to be conservative, all additional local visitor spending is withheld from the analysis.

Figure 16.
OMDP Pre- and Post-Designation Visitation by Primary Activity

Activity Type	Local Visitation		Non-Local Visitation		Total Visitation	
	Current	Post Designation	Current	Post Designation	Current	Post Designation
Biking	8,919	17,838	9,471	18,942	18,390	36,780
Camping	8,919	17,838	9,471	18,942	18,390	36,780
Driving/OHV Use	22,298	44,596	23,677	47,354	45,975	91,950
Hiking/Climbing	13,379	26,757	14,206	28,413	27,585	55,170
Historical/Cultural Site Viewing	13,379	26,757	14,206	28,413	27,585	55,170
Hunting	13,379	26,757	14,206	28,413	27,585	55,170
Other	8,919	17,838	9,471	18,942	18,390	36,780
Total	89,192	178,383	94,709	189,417	183,900	367,800

Note: Primary activity type distribution was estimated based on extensive correspondence with BLM Las Cruces Field Office staff. Of total visitors, the primary activity type for 25 percent is driving/OHV use. Hiking/climbing, historical/cultural site viewing and hunting account for 15 percent each. Biking, camping, and other activities account for 10 percent each.

Source: BLM; BBC Research & Consulting, 2013.

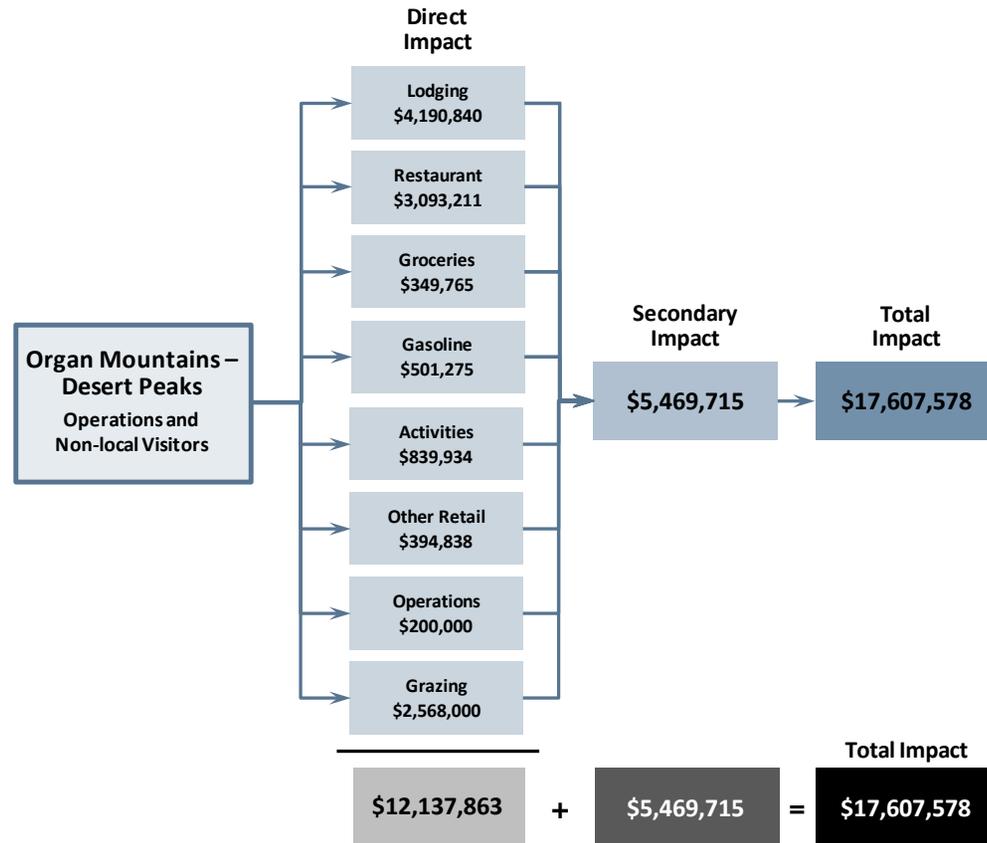
BBC's estimated post-designation visitation growth scenario includes a doubling of both local and non-local OMDP visitors in all recreation activities. In sum, visitation is expected to increase from about 183,900 to approximately 367,800. Figure 16 above summarizes the projected visitation increase by activity type.

It is important to note that, as of the completion of this study, 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 OMDP to new markets, future visitation could potentially be greater than the projections contained in this report.

National Monument Designation

As shown in Figure 17, the expected annual economic impacts of national monument designation could reach \$17.6 million, which represents an increase of approximately \$7.4 million in regional economic activity.

Figure 17.
Post-Monument Designation Total Annual Economic Impact—Output



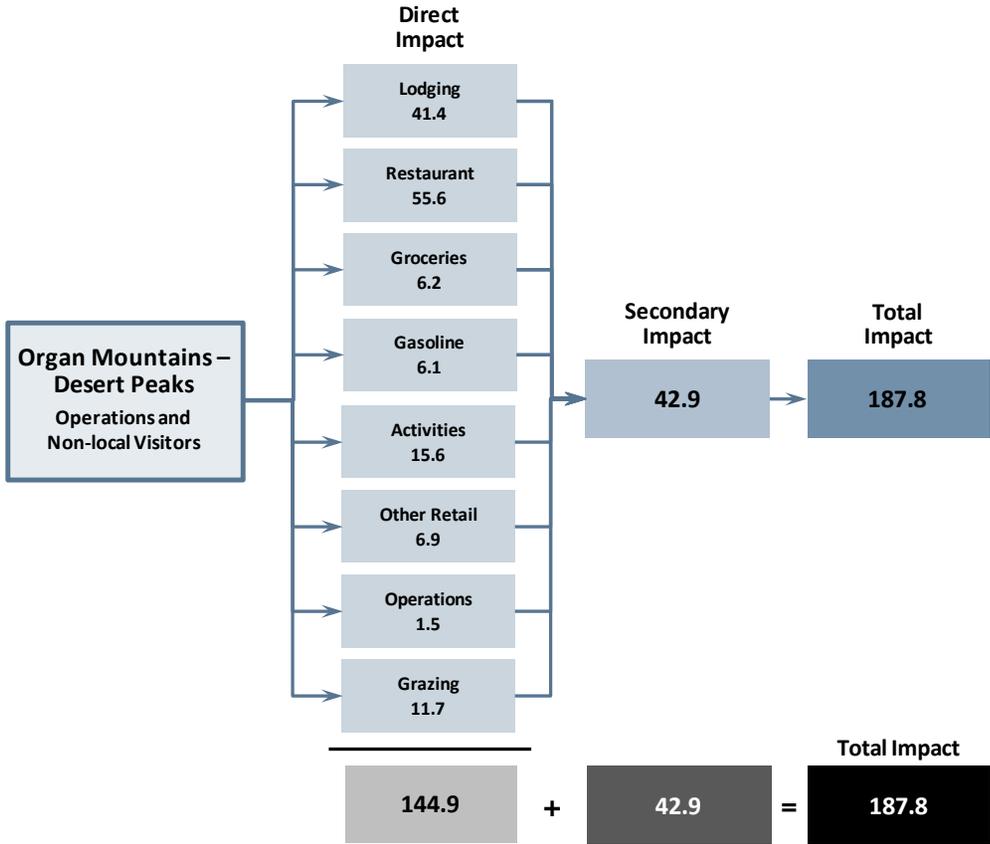
Note: Direct Expenditures reported net of taxes (sales, lodging and excise).

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

National Monument Designation

Figure 18 presents the projected employment impacts associated with national monument designation. Visitor spending associated with OMDP currently supports roughly 100 jobs. Following monument designation, employment supported would be expected to climb to about 188 jobs, an increase of 88 jobs. The majority of the new jobs created are likely to be in the hospitality and restaurant industries. Additional jobs in these industries would be required to meet hotel room and food demands which would increase as a result of higher visitation levels.

Figure 18.
Post-Monument Designation Total Annual Economic Impact—Total Employment (Jobs)



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

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

Fiscal Impact Analysis Approach

Direct and indirect spending generated by current and potential future OMDP 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 Doña Ana and El Paso 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 OMDP operations and visitation currently generates about \$569,000 annually in total state and local tax revenue. About 44 percent or \$248,000 of this tax revenue is state and local sales tax revenue.

Figure 19 summarizes the total estimated state and local tax revenue attributable to current and expected future operational and visitor spending at OMDP.

Figure 19.
Current and Post-Designation State and Local Tax Revenue

Category	Direct	Secondary	Total
Current State and Local Tax Revenue	\$ 416,977	\$ 151,723	\$ 568,700
Post Designation State and Local Tax Revenue	832,867	297,335	1,130,202
<i>Net State and Local Tax Revenue</i>	<i>\$ 415,890</i>	<i>\$ 145,612</i>	<i>\$ 561,502</i>

Source: IMPLAN Economic Model; BBC Research & Consulting

Following national monument designation, OMDP operations and visitor spending is expected to generate about \$1.1 million per year in combined state and local government tax revenue. State and local sales tax revenue accounts for \$493,000 of that figure. As with economic benefits, the majority of fiscal benefit to the study area would fall within Doña Ana County, New Mexico.

Other Economic Benefits

In addition to generating increased economic activity, tax revenues and employment in the region, OMDP 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. Monument designation will also increase the likelihood of securing future funding for ongoing cultural and archaeological research. Archaeological sites are prevalent at OMDP, and additional funds would help preserve currently unprotected petroglyphs and allow for additional excavation and preservation work at archaeological sites.

Other Economic Impacts

The profile of the OMDP area's unique but lesser-known attractions such as Kilborne Hole, the Butterfield Overland Trail, and the aforementioned petroglyphs would be heightened as a result of national monument designation. This effect would also serve to increase visitation to the area.

Smaller communities in the area are likely to benefit from monument designation insofar as they are able to attract visitor spending dollars. Visitor attractions in the nearby towns of Mesilla, Hatch, Sunland Park and Anthony could attract additional visitation upon monument designation. Additional private investment such as the establishment of new restaurants and hotels within local communities could spur even greater economic impact than this report projects.

The proposed OMDP National Monument would add to the existing wealth of attractions in South Central New Mexico. White Sands and Prehistoric Trackways National Monuments already draw visitation and economic activity to the region, and the addition of another national monument would potentially have a compounding effect on visitation, as multiple monuments within a single region could draw more visitors than the sum of individual monuments located further apart from one another.

The potential national monument designation would further heighten the profile of Las Cruces and the surrounding area, and it could enhance the attractiveness of the local community. Such attractiveness of a community is a vital part of economic development. This impact may draw additional businesses to relocate to the town, entice more students to enroll at New Mexico State University, and encourage more retirees to settle in the region.

Ensuring that OMDP's natural and archaeological assets are protected in perpetuity provides an opportunity for future generations to enjoy Southern 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.