WORKING DRAFT

To: Gunnison County Board of County Commissioners

From: Russell Forrest, Cathy Pagano, and Mike Pelletier

Date: December 10, 2013

Subject: Economic Indicators Report for Gunnison County

---

1. PURPOSE:

Good economic data and trends within a region can be extremely helpful in making informed policy decisions. The Gunnison Crested Butte Tourism Authority has a very useful monthly report card which focuses on tourism related data and trends. However, there may be the desire and need to have a more comprehensive economic report. Commissioner Paula Swenson requested that staff prepare a memo that would provide a proposal for creating an economic indicators report for Gunnison County. The proposed purpose for such a report includes:

- To provide an unbiased factual summary of relevant quantitative indicators of Gunnison County's economy to assist in effective decision making
- To provide timely information seasonally (twice a year) of how the season performed in relationship to historical information and a competitive set of mountain valleys.

2. PROPOSED ASSUMPTIONS FOR DATA COLLECTION

In considering data to be provided in a seasonal report, staff would propose utilizing information:

- That is factual and readily available (without cost);
- That utilizes comparable communities where appropriate (i.e. sales tax, occupancy);
- Provides historical information going back to 2006 where applicable to capture pre-recession, recession, and current trends; and
- Which is most useful for decision making.

A common mistake of economic indicator reports is that they have too much or not the most useful data sources and become too expensive/time consuming to prepare on a regular basis. Also if too lengthy the report is not as readable by decision makers or the general public. Therefore, staff would suggest that if it is desired to prepare such a report on a seasonable basis, that the first year of production be used to tailor the report to the needs of the County. Also, to reduce cost, allow flexibility, and provide the opportunity to zoom and out on data, a web based product is proposed. This would enable the reader to review high level information (sales tax for the entire county for a year) and provide the ability to zoom in and out to analyze more specific data such as sales tax for Mount Crested Butte in the winter (November-April).

3. PROPOSED INFORMATION TO BE PROVIDED

Again to minimize costs, staff would propose utilizing several data sources which have both opportunities and limitations that are described below:

Mtrip/DestiMetrics: A company called Mtrip (website is http://www.mtrip.org/) and now called DestiMetrics is an independent company based out of Denver which provides (at a fee) a variety of benchmarking measurements for destination resorts such as occupancy, average daily rate, sales tax, lodging tax. It also provides data to clients on how they compare against competitors (you don't see specific names of competitors). This service is used by most of the resort areas in Colorado. Gunnison Crested Butte Tourism Authority is in the process of completing an agreement to be a client of Mtrip/DestiMetrics and if all goes as planned could provide this data in the future. If this agreement does not come forward doing meaningful comparisons with other resort areas will be difficult due to the lack of reliable data which can be proprietary in nature.

Sales Tax: There is often a significant time (2-4 months) lag with obtaining sales tax information from Finance Departments. This data is very valuable but sometimes you have to be patient.

Real Estate Information: Real estate trends and data are available on the MLS system. A local agent has volunteered to report this information to the County. The initial thought would be to include a metric for County wide real estate trends and then provide the same data for the upper valley (above Almont) and lower valley (below Almont).

Timing of Data and Reports: Some information sources can be collected on a monthly, seasonable and/or on an annual basis. The proposed report if done on a seasonal basis would include when a data source was updated and the source of that information. The proposed seasons to be evaluated would include: 1) winter/ski season (November-April) and 2) the summer season (May-October). The winter season along with year-end data from the previous year would be reported in May and summer data would be reported November or December. Again available sales tax data would be reported as available in both reports.

Proposed Information to be provided

Category of Information	Specific Information Description	Frequency of reporting	Source of Information	Compared Against other communities/ areas	Historical Data Collected going back to:
Demographics	Population Total and broken down by area	Annual	State Demographer/ US Census	Growth in population	2000 – US Census information
Sales Tax by month	Gunnison County Gross Sales by Sector	Seasonal	Treasures Office	Compared against Mtrip database	2006
	CB Sales Tax	Seasonal	Town Finance Dept.	Compared against Mtrip database	2006
	Mt. CB Sales Tax	Seasonal	Town	Compared against Mtrip database	2006
	Gunnison Sales Tax	Seasonal		Compared against Mtrip database	2006
Property Value/Real estate	Residential and Commercial Values	Annual	County Assessors Offices	Compared going back to 2006	2006
	Average Sales Price CB & Gunnison	Annual	MLS	Not proposed	2006
	Sales Volume $ millions of sales for time period	Annual	MLS	Not Proposed	2006
	Value of Construction Permits in Gunnison County and number of permits	Annual	Gunnison County Community Development Dept.	Not Proposed	2006
Employment/ Income	Total employment in the county and break outs by sector	Annual	State Demographer & Headwaters Economics Organization	Similar mountain/ resort counties	2006

Category of Information	Specific Information Description	Frequency of reporting	Source of Information	Compared Against other communities/ areas	Historical Data Collected going back to:
	Total Agriculture Expenses compared to gross and net income	Annual	US Bureau of Economic Analysis & Headwaters Economics Organization	Not Proposed	2006
Lodging by month	Occupancy	Seasonal	Mtrip	Compared against Mtrip database	New info.
	Average Daily Rate	Seasonal	Mtrip	Compared against Mtrip database	New info.
	REVPAR	Seasonal	Mtrip	Compared against Mtrip database	New info.
Events	List of major events and attendance compared to previous years	Seasonal	Event promoters or applicable chamber	A narrative of other competitive events might be helpful i.e. Telluride Blue Grass, Vail Teva Games etc.	New info.
Traffic Counts on HW 135 and 50	Average Daily traffic counts and peak hour counts	Data available daily and will be summarized seasonally	CDOT	Can compare to other resort regions	2006
Skier Days	Track Skier Days for the season	End of Winter Season	CBMR & Colorado Ski Association	Compare % change with other resorts as information in available.	2006
Air Service by month	Number of enplanements	Seasonal	Airport/ RTO	Compare trends to other regional airports.	2006
University	Total Student Enrollment	Academic Year	Western State Colorado University	Compare to 2-3 other regional schools on %	2006

				increase/ decrease	
Oil and Gas	Total Severance Tax	Annual	Finance Department	N/A	2006
Social Services	# of citizens at poverty level & number of children of free and reduced lunches	Annual	Health and Human Services		2006
Transit	# of transit users by month	Seasonal	RTO and Shuttle		

4. COST AND RESOURCE REQUIREMENTS

This is a significant effort and project. If the data sources, particularly Mtrip, are available at no cost to the County and this report could be web based, staff believes initially this can be done in-house without the need to budget additional dollars. This is based on current work levels. This is a project that would lend itself to also having some additional research capacity to effectively complete. An intern from Westerns States could be very helpful in supporting staff in completing this project. Mike Pelletier also has a software package that will allow for the presentation of this information – at least initially. Again it should be anticipated that this report would evolve based on availability of data sources and specific economic issues of interest in the County. Also if workloads change, external resources may be needed to successfully complete this project on an ongoing bases. The assumptions above include delivering this report at the end of the winter season (May/June) and also at the end of the summer season in the November time frame.

5. ACTION REQUESTED OF THE BOARD

The Board is requested to ask questions and provide feedback on whether this is a project they would like staff to implement. The Board is also encouraged to review the types of information that could be collected and comment on the data collection proposed above. It should also be noted that this effort could also be a starting point for creating a County/community indicators report where other important community indicators (affordability of housing, environmental factors, availability of technology i.e. high speed DSL, Wi-Fi etc., other areas of interest of the Board) could also be measured and reported in a clear concise fashion.