SOUTH PARK
ANALYSIS
HERITAGE TOURISM SITE PLANNING


BUFFALO PEAKS RANCH


COMO ROUNDHOUSE


PARIS MILL


SALT WORKS RANCH


SANTA MARIA RANCH

ANALYSIS REPORT

SOUTH PARK HERITAGE SITE PLANNING
ANALYSIS REPORT

MARKET ANALYSIS, PROGRAM DEVELOPMENT AND FINANCIAL FEASIBILITY

This project was made possible with funding from the Preserve America Grant Program, Colorado Historical Society' State Historical Fund, Colorado Tourism Office, and the Colorado Department of Local Affairs. This material is based upon work assisted by a grant from the Department of the Interior, National Park Service. Any opinions, findings, and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the Department of the Interior.

Prepared for:

Park County

Prepared by:

Economic & Planning Systems, Inc.
Shapins Belt Collins

June 02, 2008

TABLE OF CONTENTS

PAGE

I. HERITAGE TOURISM OVERVIEW 1
Tourism Infrastructure 1
Heritage Tourism 2
National Heritage Tourism Overview 4
Colorado Heritage Tourism Overview 6

II. PARK COUNTY TOURISM MARKET AREA 9
Market Area Demographic Trends 9
Park County Tourism Infrastructure 14

III. COMPARABLE FACILITIES 19
National Heritage Areas 19
Site Facilities 25

IV. PARK COUNTY HERITAGE SITE ANALYSIS 43
Individual Heritage Sites 44
South Park National Heritage Area 107

V. FUNDING OPTIONS FOR SITE DEVELOPMENT 109

LIST OF TABLES

		PAGE
Table 1	National Heritage Area Visitation	5
Table 2	Visitation at Selected Colorado Heritage Sites	7
Table 3	Population Trends, 1990-2005	10
Table 4	Heritage Tourist Segment, 2000-2005	11
Table 5	Market Area Population Forecast, 2005-2035	12
Table 6	Heritage Tourist Segment Population Forecast, 2005-2035	13
Table 7	Park County Lodging	15
Table 8	Park County Vicinity Campgrounds	17
Table 9	National Heritage Area Funding, 2003-2007	24
Table 10	Special Event Venue Rates	32
Table 11	Mountain Research Station User Fees	37
Table 12	Mountain Research Station User Fees	40
Table 13	Como Roundhouse Visitation Projection	50
Table 14	Como Roundhouse Capital Cost Estimates	51
Table 15	Como Roundhouse Operating Cost Estimates	53
Table 17	Como Roundhouse Estimated Feasibility	56
Table 18	Buffalo Peaks Capital Cost Estimates	65
Table 18a	Operating & Maintenance Expenses	66
Table 18b	Scenario Comparison and Financial Feasibility	68
Table 19	Salt Works Ranch Estimated Restoration Costs	77
Table 20	Paris Mill Campground Revenue	89
Table 20a	Paris Mill Operating Costs	90
Table 21	Paris Mill Development Costs	91
Table 21a	Paris Mill Feasibility	92
Table 22	Santa Maria Ranch Visitation Estimate	100
Table 23	Santa Maria Ranch Capital Costs	101
Table 24	Santa Maria Ranch Operating Costs	103
Table 25	Santa Maria Ranch Annual Revenues	104
Table 26	Santa Maria Ranch Financial Feasibility	105
Table 27	Potential Funding Sources	111

LIST OF FIGURES

PAGE

Figure 1 Tundra Lab at the Mountain Research Station 35
Figure 2 Barclay Lab at the Rocky Mountain Biological Laboratory 38
Figure 3 Cal-Wood 41

I. HERITAGE TOURISM OVERVIEW

This chapter of the report presents an overview of the tourism and heritage tourism industries, including a definition of heritage tourism and an overview of national heritage tourism trends. It also includes an overview of Colorado tourism trends and the significance of heritage tourism as a market segment.

TOURISM INFRASTRUCTURE

Tourism, like most industries, has grown increasingly more competitive. Tourism visitation continues to grow, but not as fast as the growth of attractions and the capacity of existing facilities. Therefore, the type and availability of tourism facilities and quality of tourism infrastructure must increase in order to compete with other communities in the State and region.

Tourism infrastructure consists of a variety of elements. These elements fall into one of two categories—either attractions, which generate visitation, or facilities, which provide the visitor population with services. The major types of tourism infrastructure are described below:

- **Built Attractions** – These include specific activity and visitation generators, such as the heritage tourism sites evaluated during this study. For example: the South Park City Museum, Georgetown Loop Railroad, and the proposed South Park Heritage sites.

- **Natural Attractions** – These attractions leverage the natural setting and features of a location, such as the rivers and mountains within Park County. These attractions provide activities such as fly fishing, biking, hiking, and skiing. These attractions also bring visitors to the area.

- **Hospitality Facilities –** These facilities serve the visitor population providing lodging and commercial services. They include hotels, motels, campgrounds, restaurants, and specialty retail.

- **Transportation Facilities** – These facilities provide the visitors access to the attractions and facilities located within an area. They can include roads, transit, and trails.

Successfully leveraging tourism infrastructure expansion as an economic development tool requires thoughtful investment. Many communities possess adequate attractions but insufficient facilities to meet the demand of the visitor population. Park County has several strong existing natural attractions but few existing built attractions. Heritage Tourism provides a mechanism for Park County to expand its attractions.

HERITAGE TOURISM

The heritage tourism industry can be broadly defined as travel that includes places, artifacts, and activities representing stories and people of the past. Heritage tourism destinations can include cultural, historic, and natural resources. Heritage tourism areas are larger compilations of multiple cultural, historic, and/or natural resource sites.

Tourism travel is an economic activity that creates jobs and business opportunities that strengthen a local economy; heritage tourism can help preserve natural, cultural, and historic assets for the benefit of the local area and the larger nation.

The core concept behind the heritage tourism area is that by linking culture, heritage, and tourism, the effect on a local economy is greater than if each were promoted separately. The marketing and promotion of heritage tourism areas creates new opportunities for tourists, increasing a place's visibility. These new opportunities can lead to additional preservation efforts as tourists learn about the place, people, and time that created the heritage of an area. Perhaps heritage tourism area's most significant benefit is to increase opportunities for economic diversification and growth in communities associated with the tourism activities. Heritage tourism areas can also increase the quality of life for adjacent residents through access to new services and amenities. In addition, it can promote a sense of community pride that stimulates additional economic growth in a community.

The benefit of promoting history, culture, and tourism needs to be balanced with resource protection and economic development. Heritage tourism relies on the preservation of the stories and people that helped to define the culture and heritage of an area. Successful heritage attractions face the challenge of accommodating increased tourism without negatively affecting the assets that attracted the tourists. Tourism, in general, has a significant impact on infrastructure including roads, water, police, and fire protection. Providing adequate infrastructure can be a challenge for communities adjacent to successful heritage tourism destinations.

Heritage tourism is essentially a service industry. The average tourist's expectations have increased significantly over the years. Meeting visitor expectation for quality products and services has become a challenge. Heritage tourism can be a successful economic development driver if associated products and services are delivered by competent business ventures.

NATIONAL HERITAGE AREAS

In 1984, President Ronald Reagan created the first National Heritage Area (NHA) by signing legislation that established the Michigan Canal National Heritage Corridor. This designation created a new form of national park. All NHAs are places designated by Congress based on the natural, cultural, historic, and scenic resource of the area. These resources further represent a unique American experience. Nearly 50 million people across 19 states currently reside in NHAs, which are anchored by more than 500 National Historic Landmarks, and nearly 13,000 National Register of Historic Places listings.

Though nationally designated, an NHA is the responsibility of the residents who live within the area. The Federal government provides technical and limited financial

assistance but does not assume ownership of or impose land use controls on the land within the area. These areas typically cross jurisdictional boundaries and require intergovernmental cooperation and collaboration; therefore, there is no rigid framework for the operating and management structure of these entities.

Many of the entities managing NHAs, however, have had success in becoming a regionally significant destination and also in obtaining funds for large-scale and long-term preservation activities.

In 2004, the National Park Service (NPS) evaluated the effectiveness of its role in supporting the NHA program. The NPS recognized the NHA program's ability to affect major advances in historic preservation and land conservation. The NPS' evaluation reached several conclusions; the most pertinent conclusions to the current project are described below:

- **Weave Together Nature and Culture** – A NHA has the ability to knit together the landscape and culture to define a sense of place that provides a resource to encourage compatible economic development.

- **Conserve Landscapes and Traditions** – The NHA program reflects an evolution in national thinking on the best means to conserve landscapes and cultures that can provide enjoyment and education for future generations, while simultaneously preserving a portion of the American experience that helped to create this nation.

- **Recognize New Opportunities for Resource Stewardship** - The NHA program provides a vehicle for Congress and local jurisdictions to effectively achieve publicly supported conservation and preservation objectives.

NATIONAL HERITAGE TOURISM OVERVIEW

The tourism industry's Longwoods Survey began separately tracking heritage tourism trips in 1996[1]. The most recent survey data was collected in 2003. The overall volume of pleasure trips within the nation that include a heritage activity has increased steadily—up a total of 45 percent since 1996, an average increase of 4.8 percent annually.

The increase in heritage tourism areas has positively affected visitation at NHAs. In 2003 there were 24 designated areas with a total visitation of 31.6 million visits. By 2005 the total number of designated areas had increased to 27 with total visitation increasing to 88.3 million visits. In two years visitation grew by approximately 180 percent or an average of 67 percent annually. This overall increase, however, may be discounted by changes in the counting and estimation methods.

Heritage-related activities can occur on any type of pleasure trip. The most common type of pleasure trip associated with heritage activities is the touring trip. A touring trip includes a trip made by car, bus, or train that travels through or to a place of scenic beauty, cultural, or general interest. Approximately 34 percent of all heritage activities occur in conjunction with a touring trip. This exceeds the national norm for touring trips which account for approximately 18 percent of all pleasure trips. Other popular trips that include heritage-related activities include special events, city, and outdoor trips.

HERITAGE TOURISTS

Heritage tourism appeals to a specific type of pleasure traveler. Heritage tourists range from 25 to 64 years old with the 25 to 44 year old cohort representing 43 percent of national overnight pleasure trips. These tourist tend to be married (53 percent) with no children under the age of 18 (74 percent). Nearly three quarters of the tourists have some college education, with half possessing at least an undergraduate degree. One third of the group earns over $75,000 annually.

NATIONAL HERITAGE AREA VISITATION

Comparable statistics are difficult to compile for NHAs due to the diversity of the project areas. Estimated annual visitation and size for 10 of the 37 National Heritage Areas are shown in **Table 1**. These describe a representative cross-section of the variety of NHAs. Visitation ranges from about 15,000 per year to more than 21 million per year, and the dimensions of them vary from 22 square-miles to almost 11,000 square-miles. The visitation estimates reflect each area's historical and cultural significance; visitors to the Illinois and Michigan Canal or the Northern Rio Grande will see substantially different history than those who visit Blue Ridge or the Hudson River Valley.

Although indicative of their diversity, the size of an NHA is not a good indicator of its ability to attract visitors. While the Blue Ridge NHA is almost 11,000 square-miles and

---

[1] Heritage tourism data reported in this section came from Longwoods International's Colorado Heritage Tourism Travel Year 2003 (March 2005). This report was prepared on behalf of the Colorado Tourism Office (CTO) and was paid for in part by a State Historical Fund grant from the Colorado Historical Society. This report and more recent Longwoods reports are available on the CTO website http://www.colorado.com/static.php?file=industry_partners.

attracts more than 21 million visitors each year, the Yuma Crossing NHA is only 22 square-miles and attracts 250,000 visitors per year. By comparison, Blue Ridge sees about 2,000 visitors per square-mile, whereas Yuma Crossing receives more than 11,000 visitors per square-mile.

Table 1
National Heritage Area Visitation
Park County Heritage Site Planning

Heritage Area	Visitation	Size	Visitors / m
Blackstone River	700,000	46 miles	---
Blue Ridge	21,500,000	10,514 miles	2,045
Hudson River Valley	est. 3,000,000	8,250 miles	364
Illinois & Michigan Canal	15,000	96 miles	---
Lackawanna Valley	2,200,000	---	---
North Rio Grande	100,000	3 counties	---
Ohio & Erie Canal	3,000,000	110 miles	---
Oil Region	500,000	708 miles	706
Quinebaug & Shetucket	3,000,000	1,100 miles	2,727
Shenandoah Valley Battlefields	500,000	7,000 miles	71
Yuma Crossing	250,000	22 miles	11,364

Source: Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-NHA_Data.xls]NHA Visitation

COLORADO HERITAGE TOURISM OVERVIEW

The mountains (68 percent) and wilderness (44 percent) are among the top experiences included in a typical pleasure trip to the State of Colorado. The same pleasure travelers list beautiful scenery, wildlife and bird viewing, and interesting small towns top among the sightseeing attractions within the state. Nearly one quarter of all pleasure trips to Colorado include a historic site.

COLORADO HERITAGE TOURISM TRENDS

Heritage tourism is a vital part of Colorado's tourism industry, accounting for approximately 38 percent of all pleasure trips in the State and an estimated 8.1 million overnight trips in 2003. Unlike the national trend, heritage tourism has been declining within the State since 1999, when approximately 9.6 million overnight trips included heritage activities. A number of characteristics of Colorado heritage tourism trips are summarized below:

- Heritage tourism accounts for approximately 38 percent of the visitor volume but accounts for 45 percent of the tourism related expenditures.
- Nearly half of all heritage trips in Colorado occur in conjunction with a trip to visit friends and relatives.
- Heritage tourists spent approximately $322 per stay in 2003 compared to overall tourist's expenditures of $274 per stay.
- Food constitutes the largest expense by a heritage tourist at 25 percent, accommodations accounts for 24 percent, retail 20 percent, transportation 18 percent, and recreation 13 percent.

Colorado heritage tourists come from across the nation; the western region, however, accounts for 56 percent of all heritage trips in the State. The State of Colorado accounts for 18 percent of all heritage trips with the Denver metropolitan area accounting for 14 percent and the rest of Colorado generating 4 percent. California and Texas account for 12 and 10 percent of all heritage tourists respectively.

Nearly half of all trips including heritage activities involve a total distance traveled during the trip of over 1,000 miles. This corresponds to the high incidence of heritage activities coinciding within touring trips. Heritage tourists typically use their own car to travel within the State (69 percent). Nearly half of all heritage trips range from 3 to 6 nights away from home (44 percent) with nearly one third (31 percent) including 7 or more nights away from home. Approximately 37 percent of all heritage tourists lodge with friends or relatives during the trip. Nearly half (47 percent) of all heritage trips in the State of Colorado occur during the summer months (July through September).

EXISTING HERITAGE TOURISM ATTRACTIONS

The State of Colorado has several existing heritage tourism attractions. These attractions provide the draw for heritage tourists to the State. Nearly one half (49 percent) of all overnight heritage trips include a visit to the capitol City of Denver. The Garden of the Gods (21 percent), Durango (17 percent), Pikes Peak (17 percent), Estes Park (14 percent), and Rocky Mountain National Park (11 percent) also attract many heritage tourists. The

most popular heritage attractions outside the Front Range include Mesa Verde National Park (10 percent), Georgetown (8 percent), Leadville (5 percent), Santa Fe Trail (3 percent), Cumbres & Toltec Scenic Railroad (2 percent), Georgetown Loop Railroad (2 percent), and Bent's Old Fort National Historic Site (2 percent).

Heritage tourism can include public sites, such as museums and sites with guided tours, or private sites, such as historic districts and privately owned historic buildings. For this reason, evaluation visitation at heritage sites is difficult, but visitation at public heritage sites is more readily available. A survey of heritage sites located outside of the Front Range area (excluding National Parks and Monuments) includes an estimated 400,000 to 500,000 visits annually. Of the sites listed, the Durango & Silverton Narrow Gauge Railroad attracted the largest number of visitors in 2006 at an estimated 165,000, as shown in **Table 2**.

Table 2
Visitation at Selected Colorado Heritage Sites
Park County Heritage Site Planning

Site	Town	2006
Durango & Silverton Narrow Gauge Railroad	Durango	165,000
Georgetown Loop Railroad	Georgetown	69,175
Lebanon Silver Mine [1]	Georgetown	18,075
Aspen Historical Society [2]	Aspen	NA
Bent's Old Fort National Historic Site	La Junta	26,483
Anasazi Heritage Center	Dolores	NA
Leadville & Southern Railroad Company	Leadville	NA
Healy House & Dexter Cabin	Leadville	5,739
South Park City	Fairplay	13,868
Ute Indian Museum and Park	Montrose	12,491
Fort Vasquez Museum	Platteville	10,751
Fort Garland Museum	Fort Garland	11,635
		333,217

[1] Included in the Georgetown Loop Railroad visitation number

[2] Includes the Wheeler-Stallard House Museum, the Ashcroft/Independence Ghost Town, and the Holden-Marolt Mining and Ranching Museum

Source: Colorado Historical Foundation; Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-ColoHistoricVisitation.xls]Visitation

II. PARK COUNTY TOURISM MARKET AREA

This chapter describes the overall qualities and characteristics of the Park County market area including an overview of population trends and forecasts, and an analysis of more detailed demographic characteristics. This chapter also includes an inventory of lodging facilities—hotel rooms, lodges and cabins—in the Park County area and Breckenridge.

MARKET AREA DEMOGRAPHIC TRENDS

A project market area is defined as the area from which the majority of visitation will be derived. Because visitation is expected to be primarily day travel, the area is defined as the urbanized Front Range from Fort Collins in the north to Colorado Springs in the south. These cities are within two to three hours driving distance of each other.

This section describes the economic and demographic trends and projections for the market. Historic population counts by county come from the U.S. Census, and projections come from the Department of Local Affairs (DOLA). Data used for estimating the heritage tourism market segment come from the U.S. Census' Public-Use Microdata Sample (PUMS).

POPULATION

The population trends from 1990 to 2005 for each of the affected counties within and outside of the Metro Denver area are shown in **Table 3**. From 1990 to 2005, Metro Denver's population grew from almost 1.9 million to about 2.6 million, or by 2.3 percent annually, while the populations of El Paso and Larimer counties grew respectively by 2.4 and 2.6 percent annually. The population of the total market area grew from approximately 2.5 million to 3.5 million or 2.3 percent per year.

Table 3
Population Trends, 1990-2005
Park County Heritage Project

	1990	2000	2005	1990-2005 Change	1990-2005 Ann. %
Denver Metro					
Adams	265,038	363,857	405,561	140,523	2.9%
Arapahoe	391,511	487,967	534,249	142,738	2.1%
Boulder	225,339	291,288	285,880	60,541	1.6%
Broomfield	24,638	38,272	45,755	21,117	4.2%
Clear Creek	7,619	9,322	9,506	1,887	1.5%
Denver	467,610	554,636	571,847	104,237	1.4%
Douglas	60,391	175,766	251,414	191,023	10.0%
Gilpin	3,070	4,757	4,970	1,900	3.3%
Jefferson	438,430	527,056	532,608	94,178	1.3%
Total	**1,883,646**	**2,452,921**	**2,641,790**	**758,144**	**2.3%**
El Paso	**397,014**	**516,929**	**565,341**	**168,327**	**2.4%**
Larimer	**186,136**	**251,494**	**271,990**	**85,854**	**2.6%**
Total Market Area	**2,466,796**	**3,221,344**	**3,479,121**	**1,012,325**	**2.3%**

Source: DOLA; Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-DOLA.xls]PopTrends

HERITAGE TOURIST MARKET ESTIMATES

Census data was cross-tabulated from the PUMS data set to estimate the percent of the total market area population in a target market group defined as married couples 25 to 64 years of age with no children living at home and earning more than $75,000 per year.

Table 4 shows the number of people in the Park County market area who fall into the target market segment. Overall, the heritage tourist segment was about 527,000 in 2000, and is estimated to have been about 648,000 in 2005, or almost 20 percent of the total population. Accordingly, the segment of potential heritage tourists in the Metro area in 2000 was approximately 437,000, or 18 percent of the total population. A 2005 estimate was made holding constant the proportion of people who fall in the specific household type and age categories, the number increases to about 517,000 for 2005. In Fort Collins, the segment of potential heritage tourists in the area in 2000 was approximately 38,000, or 16 percent of the total population, increasing to about 54,000 in 2005. In Colorado Springs, the segment of potential heritage tourists in the area in 2000 was approximately 52,000, or 13 percent of the total population, increasing to about 78,000 in 2005.

Table 4
Heritage Tourist Segment, 2000-2005
Park County Heritage Project

Area	2000 H.T.[1]	2000 Total	2005 H.T.[1]	2005 Total
Metro Denver	**437,302**	**2,412,400**	**516,590**	**2,641,790**
% of Total	18%	100%	20%	100%
Ft. Collins (Larimer Co.)	**37,902**	**235,532**	**53,995**	**271,990**
% of Total	16%	100%	20%	100%
Colorado Springs (El Paso Co.)	**51,594**	**412,171**	**77,867**	**565,341**
% of Total	13%	100%	14%	100%
Total	**526,798**	**3,060,103**	**648,451**	**3,479,121**
% of Total	17%	100%	19%	100%

[1] Note: The married population ages 25-64 with HH income ? $75,000/year.

Source: U.S. Census; DOLA; Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-PUMS-Clean.xls]Summary

POPULATION AND HERITAGE TOURIST PROJECTIONS

The projections of the heritage tourist segment are based on the projected annual rates of growth based on DOLA County forecasts as shown in **Table 5**. The Metro Denver population is projected to increase by 1.4 percent annually from 2005 to 2035; El Paso County is projected to grow at a rate of 1.7 percent annually; Larimer County is projected to grow at a rate of 1.9 percent annually. The total market area is projected to grow from approximately 3.5 million in 2005 to 4.5 million in 2020, an increase of 1.7 percent per year. Assuming these same growth rates continue, the market area would reach an estimated 5.4 million by 2035 as shown.

Table 5
Market Area Population Forecast, 2005-2035
Park County Heritage Project

	2005	2010	2015	2020	2025	2030	2035	2005-2035 Change	2005-2035 Ann. %
Denver Metro									
Adams	405,561	453,924	506,298	557,541	608,830	659,646	711,052	305,491	1.9%
Arapahoe	534,249	581,151	633,371	683,817	733,675	779,713	820,795	286,546	1.4%
Boulder	285,880	307,271	326,123	344,596	362,076	375,914	384,754	98,874	1.0%
Broomfield	45,755	52,020	58,915	66,284	72,488	78,339	82,584	36,829	2.0%
Clear Creek	9,506	10,422	11,539	12,675	13,755	14,771	15,712	6,206	1.7%
Denver	571,847	591,103	614,811	644,749	678,982	716,791	757,027	185,180	0.9%
Douglas	251,414	309,241	365,736	414,633	455,501	491,389	523,608	272,194	2.5%
Gilpin	4,970	5,470	5,995	6,550	7,093	7,607	8,083	3,113	1.6%
Jefferson	532,608	555,345	579,838	607,417	632,001	653,603	674,523	141,915	0.8%
Total	**2,641,790**	**2,865,947**	**3,102,626**	**3,338,262**	**3,564,401**	**3,777,773**	**3,978,139**	**1,336,349**	**1.4%**
El Paso	**565,341**	**647,600**	**708,186**	**762,879**	**816,060**	**869,071**	**935,542**	**370,201**	**1.7%**
Larimer	**271,990**	**296,519**	**330,879**	**366,240**	**403,147**	**439,217**	**473,223**	**201,233**	**1.9%**
Total Market Area	**3,479,121**	**3,810,066**	**4,141,691**	**4,467,381**	**4,783,608**	**5,086,061**	**5,386,904**	**1,907,783**	**1.5%**

Source: DOLA; Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-DOLA.xls]PopTrends

There are currently an estimated 648,000 people in the heritage target market segment. Assuming that the overall growth rates projected by DOLA hold constant for this cohort, this number increases to about 1,000,000 by 2035 as shown in **Table 6**.

According to research conducted of Colorado tourism, and specifically heritage tourism, the typical overnight traveler makes between three and five visits per year to various sites. There are therefore potentially 2,600,000 pleasure trips that originate from the market area, based on an average of four visits per person. Not every visit made by each person will be to sites in Colorado or even the Front Range. Assuming visits to a heritage site will be within Colorado, one of them to a Front Range location. This leaves a potential of approximately 650,000 heritage site visits elsewhere in Colorado that originate from this market area.

Table 6
Heritage Tourist Segment Population Forecast, 2005-2035
Park County Heritage Project

	Factor	2005	2010	2015	2020	2025	2030	2035	2005-2035 Change
Heritage Tourist Segment									
Metro Denver	1.4%	516,590	553,065	592,115	633,923	678,683	726,603	777,906	261,317
El Paso Co. (Colorado Springs)	1.7%	77,867	84,686	92,103	100,168	108,940	118,481	128,857	50,990
Larimer Co. (Ft. Collins)	1.9%	53,995	59,216	64,942	71,221	78,108	85,660	93,943	39,948
Total	1.5%	648,451	696,967	749,159	805,312	865,731	930,744	1,000,706	352,255
Total Potential Trips	4 Visits / Person	**2,593,806**	**2,787,866**	**2,996,637**	**3,221,249**	**3,462,923**	**3,722,975**	**4,002,824**	**1,409,018**

[1] Note: The total for 2005 comes from the estimated total of heritage site visitors to Colorado for 2003.

Source: U.S. Census; DOLA; Colorado Historical Foundation; Economic & Planning Systems

H:\16899-Park County Heritage Project\Models\[16899-TouristForecast.xls]Forecast

PARK COUNTY TOURISM INFRASTRUCTURE

This section inventories the existing Park County tourism infrastructure, including both attractions and facilities. In addition, the section evaluates the level of visitation generated by these attractions in Park County.

PARK COUNTY ATTRACTIONS

Park County contains primarily dispersed mountain area recreation attractions, most of which do not keep visitation statistics. Among the primary attractions are the following:

- **South Park City Museum** – The museum provides an opportunity to view a restored mining town typical of the area between 1860 and 1900. The seven restored buildings at the museum include over 60,000 artifacts.

- **Eleven Mile State Park** – The state park provides some of the best fishing in the state with rainbow, brown, cutthroat, kokanee, and pike. In addition, the reservoir is open for boating and the wind makes it an ideal location for sailing and windsurfing. The park offers several campsites amongst nine different campgrounds located around the reservoir.

- **Spinney Mountain State Recreation Area** – The reservoir within this park offers gold medal fishing both from the shoreline and a boat. The park itself does not offer any camping, but is very close the Eleven Mile State Park's ample camping facilities.

- **Fairplay Beach Recreation Area** – The facility managed by the Town of Fairplay is stocked with rainbow and cutthroat trout. The area provides many activities including fishing and panning for gold.

PARK COUNTY INFRASTRUCTURE

Park County contains several lodging facilities in Fairplay in addition to facilities with commercial and private rental cabins. The following is a summary of the lodging and camping facilities:

Hotel/Lodging Facilities

The number of hotel rooms and cabin rentals in the Park County area provides a glimpse into the capacity of the area to accommodate visitors. A survey of Park County lodging establishments accounts for 121 lodging rooms in five different facilities (including the 55 rooms in a Best Western under construction). Average daily rates (ADRs) range from $30 per night at the Bison Peak Lodge to $95 per night at the Hand Hotel, which accounts for peak and off-peak seasons. The overall ADR for the Park County hotels is $67 per night as shown in **Table 7**.

Table 7
Park County Lodging
Park County Heritage Project

Establishment	Rms / Cabins	ADR Low	ADR High	ADR Avg.
Lodging				
Fairplay Hotel	20	---	---	---
Hand Hotel	11	$59	$95	$77
Best Western	55	---	---	---
Bison Peak Lodge	6	$30	$85	$58
Western Inn	29	$53	$79	$66
Subtotal	**121**	**$30**	**$95**	**$67**
Cabins				
Hartsel Springs Ranch	12	TBD	TBD	---
Alma	7	$150	$210	$175
Bailey	4	$125	$300	$188
Fairplay	15	$110	$600	$226
Lake George	6	$100	$220	$159
Jefferson	2	$120	$150	$135
Subtotal	**46**	**$100**	**$600**	**$194**
Total	**167**	**$30**	**$600**	**$102**

Source: Website: www.vbro.com; Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-Ldgng.xls]SthPrk

There are also 46 cabin rentals listed currently on the web resource for vacation rentals in the area. Most of the units are located in the Fairplay area. ADRs range from $100 per night to $600 per night during peak season with an overall average of $194 per night. During peak season, a couple of the lodging establishments reported having an average of 90 percent occupancy rates and about 60 percent occupancy rates during off-peak season.

The Breckenridge ski resort community, located on Highway 9 on the north side of Hoosier Pass, provides a large secondary bed base for potential Park County trips. Breckenridge has several thousand lodging units in the hotel inventory as well as private condominiums, houses, and cabins in the rental pool. Three of the larger properties alone provide over five times the number of rooms than in the entire Park County inventory.

Lodging rates at the three lodges reflect ski area rates during the winter but are considerably more affordable in the summer and shoulder seasons. Recreation travel during this time period is also more dispersed. As such, Park County attractions represent a viable day trip option for Breckenridge visitors during the summer and fall months.

Campgrounds

The Park County vicinity includes approximately 656 developed campsites in several campgrounds. These sites offer accommodation for visitors to the area engaged in recreation activities such as fishing, hiking, biking, and touring. The nightly rates for a non-electric site range from $7 in Pike National Forest to $14 at Eleven Mile State park, as shown in **Table 8**. The overall average rate for a non-electric site is $12 per night. Electric sites average $18 per night; there are approximately 50 electric sites in the inventory.

The primary camping season for Park County is May 1st through October 1st. The main attraction for campers is outdoor recreation activities. In addition, many campers stop over in Park County as part of a larger touring trip. The recent reopening of Antero Reservoir will affect the demand for campsites. As visitation increases to the area through development of new Heritage attractions, the demand for campsites will increase.

Occupancy rates in Forest Service campgrounds range from 20 percent to 80 percent during peak season and from 10 percent to 70 percent during off-peak season. Overall, the occupancy rate during peak season is 42 percent and 23 percent in off-peak season. The Forest Service maintains non-electric sites, while the Colorado State Park Service maintains the 50 electric sites accounted for in this inventory.

Occupancy rates at Eleven-Mile State Park during peak season range from approximately 30 to 70 percent for electric sites and from 20 to 35 percent occupancy for non-electric sites. During off-season, occupancy rates for electric sites range from approximately 3 to 30 percent and range from 0 to 20 percent for non-electric sites. Overall, average peak-season occupancy is approximately 50 percent for electric sites and 25 percent for non-electric sites. Occupancy rates in general for off-season are 18 percent for electric sites and 3 percent for non-electric sites.

Table 8
Park County Vicinity Campgrounds
Park County Heritage Project

Campground	Sites	Fee
Pike National Forest		
South Park Ranger District	182	$9
11 Mile Canyon Recreation Area	61	$10
Jefferson Lake Recreation Area	64	$10
Subtotal	**307**	**$10**
Eleven Mile State Park	**349**	**$14**
Total/Average	**656**	**$12**

Source: National Forest Service; Colorado State Parks; Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-ForestServiceCampgrounds.xls]Cmpgrnds Summary

III. COMPARABLE FACILITIES

This chapter describes a selected sample of other NHA sites with an evaluation of comparable facilities and "lessons learned" that can be applied to the Park County context.

NATIONAL HERITAGE AREAS

Currently, there are 37 National Heritage Areas (NHA), and among them only a few examples in the Rocky Mountain West. The three Rocky Mountain area NHAs are: Yuma Crossing NHA, located on the border of southwestern Arizona and southeastern California; the Northern Rio Grande NHA, composed of three counties in north central New Mexico; and the Cache la Poudre NHA, spanning a 45-mile stretch of the Cache la Poudre River in northern Colorado.

YUMA CROSSING NHA

This NHA covers about 22 square miles around the City of Yuma in southwestern Arizona. The area was designated in 2000 and capitalized on two massive granite outcroppings along the Colorado River, the first river dam (early 1900s), and the first practice of agriculture in the desert. The two granite outcroppings found there are significant because they were the only natural bridge linking these two parts of the country for hundreds of years, and thus are remnants of a historic trail. The project showcases the implementation of a major riparian rehabilitation project established after years of ecosystem damage.

The potential for NHA designation was studied for many years through several public opinion surveys before it was designated. It became apparent through the most recent iterations of this public interest survey that a very strong local interest and support existed for the NHA designation.

Function and Operations

A management plan was adopted in the autumn of 2002 that established the purpose of the NHA and created an opportunity for public and private development within the area. The purpose was that the plan could then be relied upon by public and private developers as a secure place for development. As a result, an $80 million riverfront development project has been recently approved that will bring jobs, housing, recreation and tourism to the riverfront while respecting the Yuma Crossing NHA plan and heritage of the area. In addition, the NHA has facilitated a number of other multi-million dollar projects including a $4 million city park and several million dollars in CWA funding for rehabilitating the habitat and water flow to the East Wetlands.

The NHA employs a total of 10 staff, including seven full-time, two ¾ time (to manage the summer festivals), and one part-time. There are also six regular volunteers and countless others who volunteer their time for special events.

Visitation

The Yuma Crossing NHA is estimated to attract approximately 250,000 visitors annually. There are museums, exhibits, interpretive signage, gift shops, cafes, meeting

spaces and gathering spaces, as well as a 150-room hotel currently under construction. Once the hotel is completed, the Board of Tourism will begin recording overnight versus day visitation.

Festivals and many events draw visitors to the area. There are three five-day festivals and many other one-day events that likely draw most of the overnight visitors. The jazz festivals and bluegrass festivals, for example, are subsidized partly by the NHA and are free to the public. The museums and parks charge entrance fees of $3 to $5 per person, and packages of admission tickets are sold to 5 locations for $12.

Funding

Yuma Crossing NHA is considered to be successful compared to its Western U.S. counterparts. However, it does not generate enough revenue to cover operating costs, or to be self-sustaining. When the NHA was designated, an agreement was creatively worked out with the City of Yuma to provide $500,000 in funding annually to the NHA for 10 years. This funding has been used solely to support a staff that devotes its time to locating and securing other funding sources for operating and maintenance expenses.

Federal funding through the National Park Service is divided among all NHAs, and each NHA is limited to about $1 million annually. Since designation, the Yuma Crossing NHA has received approximately $300,000 per year in Federal funds. The ratio of local to federal and state funding is about $6 to $8 per dollar of federal/state funds. The recently approved $4 million city park was funded by $2.5 million in state and federal grants, $700,000 from the local Parks & Recreation Department, $800,000 from the hospitality tax revenues, and $400,000 in Federal NHA funds.

Lessons Learned

The Yuma Crossing NHA has been successful primarily because it has operated under the assumption that it cannot rely upon federal funding. Secondarily, the NHA serves as a major economic development incentive; the management plan can be relied upon by public and private developers as a secure place for development. In other words, the NHA serves as a catalyst for additional growth in the area, while respecting the history and character of the natural and cultural resources. Also, the agreement between the NHA and the City of Yuma providing for $500,000 in local funds per year for salaries has been crucial in the establishment of the NHA and its ability to procure additional funds.

NORTHERN RIO GRANDE NHA

The Northern Rio Grande NHA is located in Santa Fe, Rio Arriba, and Taos counties in north central New Mexico. Designated in late 2006, the management plan is currently under development. The cultural and historic significance of the Northern Rio Grande NHA draws from the pueblo traditions of eight pueblos, numerous Spanish Colonial churches, moradas, as well as the Rio Grande River itself as its spine.

Function and Operations

This NHA benefits from its proximity of the numerous existing tourist, historical, and cultural attractions and sites in Santa Fe and Taos counties. The less frequently visited Rio Arriba County benefits from the connectivity and continuity that the NHA brings.

Within the NHA, there are many museums, exhibits, gift shops, cafes and places for meeting and gathering. There are occasionally special events and promotions, as well as organized tours in some areas. Admission to some of the sites is only $3 to $5, and discounts are available. Some of the venues schedule free promotional weeks for participating county residents.

The NHA does not currently have employees. Everyone who makes the operation of the NHA possible is a volunteer.

Visitation

Although there is no official organization that can track all visitors to this area, it is estimated that about 100,000 people visit the areas inside this NHA annually.

Funding

Each of the NHA Board members donated a sufficient amount of funds necessary to get the designation. The amount of ongoing local funding will be determined as part of the management plan.

One proposal requested a portion of the City of Santa Fe's lodging tax to fund some of the operations of the NHA. This was rejected on the grounds that the NHA did not intend for itself to be an economic development driver or a tourism generator, rather it would have gone to planning efforts.

Similarly, the amount of federal and state support money this NHA will attempt to procure will depend on the design and intent of the management plan. The NHA hopes to work with state-level agencies such as the Department of Tourism, Department of Cultural Affairs, and State Monuments to garner financial support.

Lessons Learned

The initial objectives of the Northern Rio Grande NHA are quite different from the Yuma Crossing NHA in that it does not intend to be a catalyst for economic development or tourism. Its primary focus is intended to develop partnerships with the existing cultural and historic resources and attractions in the region. Ownership will therefore be vested in those partnerships and the community. Overall, this NHA is merely interested in promoting an awareness of the culture and history that are its assets.

CACHE LA POUDRE RIVER CORRIDOR

This NHA, designated in the early 1990's, was organized around a theme of western water rights doctrine. The area includes 45 miles of the Cache la Poudre River corridor from the eastern edge of the Roosevelt National Park in Larimer County to Greeley, ¼ mile from its confluence with the South Platte. Major attractions in the river corridor include the Bellevue Hydrological laboratory in La Porte at the Parshall Flume and several water diversion structures.

There are no museums, gift shops or centers dedicated to the purpose of promoting the NHA or tourism within the region; there are only a few interpretive signs along the corridor that help the occasional tourist understand the historical context of the place they are visiting.

Operations

The development of this NHA has been hindered by a last-minute amendment written into the designation bill in Congress, which required the establishment of a federal and state commission to operate the corridor. Since then, efforts have continued in attempt to remove this amendment. Because of this obstacle in operating the NHA, a management plan has not been drafted and funding has never been procured from any federal or state sources. At the local level, interest has been minimal, as the affected jurisdictions do not perceive the NHA as a benefit for preservation or economic development.

There is a commission of representatives from the various jurisdictions, who mainly volunteer their time, but are paid for their time through their own employers, not the NHA. Because each of the members involved has many outside obligations, issues relating to the NHA are a low priority.

Visitation

The Cache La Poudre River Corridor NHA receives a significant number of visitors for water-based recreation activities including fishing, kayaking, and camping. The NHA has not generated any measurable increase in usage.

Funding

There has been no local funding for this NHA excepting the minimal amounts of time each of the jurisdictions pays its own representative to sit in on periodic NHA commission meetings. An organization called the Friends of the Poudre is responsible for the annual river festival, which lasts for a few days each summer in Fort Collins and raises approximately $6,000 for the NHA.

The NHA initially had State Park funding for two full-time employees. This was later cut to one staff member, and as of the end of 2006, all funding has been cut.

Lessons Learned

This NHA has not been successfully implemented to date. The interpretive plan under development represents a final opportunity to salvage the NHA designation.

CONCLUSIONS

Although some level of federal funding can be expected, NHAs rely heavily on local funding and support for heritage site development and ongoing operations. Local and state financial support is critical to the NHA's survival. Yuma Crossing has received $300,000 per year since designation, but has matched these funds with substantially greater local funds. Cache la Poudre has not received federal funds since 2005, nor received any local funds. This NHA suffers from lack of local support and is thus disintegrating. It has lost state financial support, which was its only source of staff funding, but it did not have the political investment from its participant communities. With no one representing the interests of the NHA from the local level at the state or even federal level, the designation is relatively meaningless.

Federal funding of the NHA program has declined in the past five years by approximately 1.5 percent, as shown in **Table 9**. Funding has been cut for nearly every NHA except the Erie Canalway NHC and the Tennessee Civil War Heritage Area. Federal NHA appropriations average approximately $575,000 per area annually. However, many of the NHAs include existing national parks, monuments, or battlefields, and generate a significant amount of local funding. These appropriations are tied mainly to several criteria, including the appropriation of local funds. NHAs that receive the highest federal appropriations also receive high levels of local funding. Therefore, the federal appropriation is linked directly to the local investment in a NHA.

Table 9
National Heritage Area Funding, 2003-2007
Park County Heritage Site Planning

	2003	2004	2005	2006	2007	Change 2003-2007 Ann. #	Ann. %
Projects							
Augusta Canal NHA	$600,000	$400,000	$400,000	$400,000	$350,000	($62,500)	-12.6%
Automobile NHA	$700,000	$600,000	$600,000	$500,000	$450,000	($62,500)	-10.5%
Blue Ridge NHA	---	---	$1,000,000	$900,000	$800,000	n/a	n/a
Cache La Poudre River Corridor	$50,000	$45,000	$45,000	---	---	n/a	n/a
Cane River NHA	$800,000	$900,000	$800,000	$900,000	$800,000	$0	0.0%
Delaware & Lehigh NHC	$900,000	$844,000	$800,000	$800,000	$750,000	($37,500)	-4.5%
Eire Canalway NHC	$600,000	$397,000	$700,000	$700,000	$750,000	$37,500	5.7%
Essex NHA	$1,000,000	$900,000	$1,000,000	$900,000	$800,000	($50,000)	-5.4%
Hudson River Valley NHA	$1,000,000	$522,000	$500,000	$500,000	$450,000	($137,500)	-18.1%
Illinois & Michigan Canal NHC	$600,000	$745,000	$600,000	---	---	n/a	n/a
John H. Chafee Blackstone River Valley NHC	$800,000	$795,000	$795,000	$845,000	$800,000	$0	0.0%
Lackawanna Valley NHA	$600,000	$646,000	$550,000	$650,000	$500,000	($25,000)	-4.5%
Mississippi Gulf NHA	---	---	---	$175,000	$200,000	n/a	n/a
National Aviation Heritage Area	---	---	---	$200,000	$250,000	n/a	n/a
National Coal Heritage Area	$210,000	$123,000	$123,000	$123,000	$200,000	($2,500)	-1.2%
Ohio & Erie Canal NHC	$1,000,000	$900,000	$1,000,000	$900,000	$800,000	($50,000)	-5.4%
Oil Region NHA	---	---	---	$200,000	$300,000	n/a	n/a
Quinnebaug & Shetucket Rivers Valley NHC	$800,000	$844,000	$800,000	$850,000	$800,000	$0	0.0%
Rivers of Steel NHA	$1,000,000	$900,000	$1,000,000	$900,000	$800,000	($50,000)	-5.4%
Schuylkill River Valley NHA	$500,000	$497,000	$500,000	$500,000	$450,000	($12,500)	-2.6%
Shenandoah Valley Battlefields NHD	$500,000	$497,000	$500,000	$500,000	$500,000	$0	0.0%
Silos & Smokestacks Heritage Partnership	$700,000	$800,000	$750,000	$750,000	$700,000	$0	0.0%
South Carolina NHC	$1,000,000	$900,000	$1,000,000	$900,000	$800,000	($50,000)	-5.4%
Tennessee Civil War Heritage Area	$210,000	$209,000	$300,000	$500,000	$400,000	$47,500	17.5%
Wheeling NHA	$800,000	$900,000	$1,000,000	$900,000	$800,000	$0	0.0%
Yuma Crossing NHA	$400,000	$123,000	$210,000	$400,000	$350,000	($12,500)	-3.3%
Subtotal	**$14,770,000**	**$13,487,000**	**$14,973,000**	**$14,893,000**	**$13,800,000**	**($242,500)**	**-1.7%**
Administration	---	$124,000	$122,000	$122,000	$100,000	n/a	n/a
Total	**$14,770,000**	**$13,611,000**	**$15,095,000**	**$15,015,000**	**$13,900,000**	**($217,500)**	**-1.5%**
Average	**$671,364**	**$613,045**	**$651,000**	**$620,542**	**$575,000**		

Note: NHA = National Heritage Area; NHC = National Heritage Corridor; NHD = National Heritage District
Source: Library of Congress; Economic & Planning Systems
H:\16899-Park County Heritage Project\Data\[16899-NHAFunding.xls]Fed Funds

NHAs can serve most efficiently if they act as an intermediary for public and private interests. Yuma Crossing functions as an engine for economic development for the area, but also serves to protect the cultural and natural resources of the NHA. Because of this, there is a great deal of public and private investment (development) occurring in the bounds of the NHA. The City of Yuma contributes funding for the NHA staff, and they receive a portion of the lodging tax. The newly designated Northern Rio Grande NHA, on the other hand, has made it quite clear that economic development is not their purpose. Rather, promotion of their culture and history is their primary focus. While this serves the educational mission of the NHA, it has failed to win them funding from the respective jurisdictions by way of a portion of lodging taxes.

SITE FACILITIES

A selected sample of site specific facilities with comparability to the Park County facilities were also evaluated including other historic ranches, theater and event facilities, and museums.

RANCHES

The proposed Park County heritage sites include proposals for the adaptive use of the Santa Maria, Buffalo Peaks and Salt Works Ranches. The following are examples of comparable historic ranches adapted to the Rocky Mountain West including Carpenter Ranch, Devil's Thumb Ranch, and Murie Ranch.

Carpenter Ranch

Carpenter Ranch near Steamboat Springs, Colorado was purchased by the Nature Conservancy from the Carpenter family in 1996. The 906-acre site includes a five-bedroom house built around 1900, self-guided nature trails, and benefits from the Conservancy's preservation of approximately 10 miles of Yampa River frontage. The ranch house was upgraded to be used for meetings and retreats. Additional meeting space was added in order to facilitate larger day groups.

- **Visitation** – The ranch is open from May to September and has approximately 1,000 visitors per season. The ranch also organizes naturalist workshops, which last two nights each, as well as Nature Conservancy sponsored events for researchers. The ranch is only open to the public Thursday through Saturday from morning to noon; all other hours are reserved for private parties. Last year, approximately 760 students (K through 12th grade) visited the ranch, 56 graduate students, 70 workshop attendees, and 200 individuals from organizations such as Fish & Wildlife, Division of Wildlife, local not-for-profits, and environmental groups visited for workshops.

- **Funding** – There is no entrance fee to the ranch, and the researchers and Nature Conservancy visitors pay no lodging fee either; they merely make donations. The special events, however, such as the birding workshops, are $410, which covers lodging, events, and meals.

There are two full-time staff members, one person who works full-time for six months, and there is seasonal part time staff.

Some capital expenses were incurred in 1996 for the restoration of the five-bedroom house, which was funded by the County Historical Society and private donations.

Devil's Thumb Ranch

Devil's Thumb Ranch in Tabernash, Colorado is a 200-acre facility oriented to horseback riding in the summer and cross-country skiing in the winter. It was opened in the 1950s with small guest cabins, and upgraded in the 1970's to its current larger configuration. The ranch benefits from a beautiful setting along the Ranch Creek River, among fields, trails and the Diamond Bar T Ranch. There are no significant historic sites or features on this ranch.

The ranch caters to an affluent visitor population including corporate events and reunions. The facilities include a spa, pool, 5-star restaurant, horseback riding and lessons, winter ice-skating, and ski trails. There are cabins, a lodge, and three meeting rooms.

- **Visitation** – Annual visitation to the ranch is around 25,000. Summer visitation is generally overnight visitors averaging three to four nights each, and winter visitation is primarily day visitors/skiers on weekend trips.

- **Funding** – There is no entrance fee, but there are lodging fees and special event fees. The one-bedroom cabins rent for $295 per night and the four-bedroom cabins for $850 per night. The 75,000 square-foot lodge with 52 rooms rents for $195 per night. Fees for special events vary widely, but horseback riding is about $80 for a half day, and lessons cost more.

During peak season, the ranch employs between 50 and 100 people and a maximum of 20 employees during off-peak season, a majority of whom are part-time.

Though the ranch sees a large number of visitors per season, revenues generated through fees are not sufficient to cover operating expenses. All remaining costs are covered by the owner of the ranch. By consequence, perhaps, the owners of this ranch have changed hands many times in its history of operation. Any capital expenses incurred in renovation or construction have been made only by private funds.

Murie Ranch

The Murie Ranch is located in Jackson, Wyoming. In the early 1990s, the residence and studio were renovated through private funding and designated as a National Historic District in 1997. In 2001, the center launched its campaign to restore the buildings and improve the ranch infrastructure to create a retreat center for carrying out its activities. In 2006, the ranch was designated a National Historic Landmark. The Park Service is landlord to the ranch.

- **Visitation** – The ranch is used primarily for a conference and retreat center for environmental groups, schools, wellness groups and yoga retreats. Ranch managers say that their focus is changing to encourage more environmental groups, but that they will not necessarily turn away groups like those coming for yoga retreats.

  Typically, there are about 1,125 visitors per summer. The Ranch's 16 restored log structures contain dining and meeting space for up to 30. There is lodging for up to 28 residential guests. Lodging occupancy rates during the June through the end of October season typically range from 50 to 60 percent per season. The ranch caters only to groups and targets organizations that are looking for a facility where they can host a meeting or seminar. Lodging is not available for general public use.

  There are currently no special events at the Murie Ranch, but eventually the Murie Center will be used for these types of occasions.

- **Funding** – There is no entrance fee, but a flat lodging fee applies to each guest of $125 per night for a double-occupancy room. The ranch employs six full-time employees and several part-time, such as the housekeeper and kitchen hands.

Revenues generated by the ranches' limited operations are insufficient to cover operating expenses. According to management, to see a profit of $125,000, the ranch would need to see visitation grow to 40 groups of 15 people staying four nights each, or more than a doubling of current annual visitation. Operating expenses are around $175,000 for the year and most of the operating and maintenance costs are covered by private donations and grants. When the ranch was renovated in the early 1990s, $1.8 million was raised privately to restore 80 percent of the buildings.

Agritourism / May Farms

Many Colorado farm and ranch businesses generate supplemental revenue from agritourism enterprises. In 2002, 867 Colorado farm and ranch businesses in 59 counties derived some income from recreational sources, contributing 13% to total farm income for producers, and a state total of well over $10 million (US Census of Agriculture). The most common recreational uses of private agricultural lands are related to hunting and fishing. Ranchers and farmers throughout the state supplement their incomes by providing access to their properties for individual anglers and hunters as well as outfitters. Other popular agritourism opportunities in Colorado include markets and produce stands, camping and picnicking, art programming (e.g. photography workshop, nature writing), wildlife viewing and bird watching, food festivals, and historic site tours and museums. [2]

[2]For reports on Colorado State University's agritourism research go to http://dare.colostate.edu/pubs/publications.aspx

Research conducted by Colorado State University's Department of Agriculture and Resource Economics suggest that agritourism is a growing sector of Colorado's tourism markets. Both in-state and out-of-state visitors have shown considerable interest in agritourism opportunities. In 2006, 4.1 million visitors to Colorado focused their trip on agritourism and spent $807 million, this included 1.9 million in-state visitors and 2.2 million out-of-state visitors[3]. An additional 6.7 million visitors to Colorado participated in unplanned agritourism during their trip (5.4 million in-state and 1.3 million out of state). Investments in improving tourism infrastructure for agritourism including the development of farm/ranch programming and lodging, marketing materials, and interpretive and directional signage will help ensure that rural counties in Colorado can tap this emerging sector of the tourism market.

May Farms

May Farms is an example of a working farm that has diversified its operations to include a number of agritourism opportunities.[4] The farm is located on 300 acres, immediately south of I-70, 40 minutes from downtown Denver and 20 minutes from E-470.

The farm offers many hands-on programs about agriculture and the environment for students and other visitors. The farm also provides a rental venue for weddings, company parties, family reunions and music festivals and concerts. Additionally, the farm hosts a number of events (e.g. archery competition, Fall Festival) that target audiences in the Front Range.

- **Visitation** – May Farms is located within one hour of over 3 million people (with residential developments moving closer every day). The farm's facilities were developed to target the urban resident and businesses looking for a rural retreat. For example, John Deere uses May Farms as a venue for displaying its large equipment. In 2007, there were 20,000 visitors to May Farms. There is no overnight lodging at the farm, although camping will most likely be permitted once multi-day festivals are held on site.

- **Funding** – There is no entrance fee to the ranch and no lodging, therefore revenue is generated through programming/field trip fees, event venue rental, and admission fees for festivals and events. The farm is a family operation, run by family members, with little outside help other than a book-keeper and local volunteers.

The agritourism components of May Farms were launched in May of 2006. According to Gary May, the venture is not yet profitable, but their business plan calls for the farm to begin turning a profit after four years (in 2010). May feels that large-scale festivals have considerable revenue generating potential and will be integral to making his operation profitable. The owners have invested considerable time in working with Arapahoe County to develop "agritainment" zoning under which the farm could host these large outdoor festivals.

---

[3] Dawn Thilmany and Martha Sullins. Colorado Agritourism: What are Visitors Looking For? Colorado State University Extension, Department of Agriculture and Resource Economics. 2007.

[4] http://www.mayfarms.com/

Conclusions

Diversifying ranch operations and opening ranches up to some degree of visitation can boost the economic viability of a ranch. While none of the above comparables sustain themselves through revenues generated, May Farms is growing and should prove to be profitable in a couple years if the owners can adhere to their business plan. In its second year of operation, May Farms attracted 20,000 visitors. This comparable agritourism venture demonstrates the importance of marketing to a wide range of interests and being located within proximity to a large market area in order to draw sufficient visitation to offset costs. The less financially promising ventures at Carpenter Ranch and Murie Ranch cater to more special interest groups and are therefore unable to collect sufficient programming fees and lodging revenue to cover costs. While agritourism research conducted by Dawn Thilmany, professor in the Department of Agricultural Resources at Colorado State, suggests that out-of-state tourist make up the majority of agritourism spending, the May Farms model suggests that successful ranch operation in South Park will need to be able attract visitors from Colorado's Front Range market if events, facility rental, lodging and programming fees are the primary revenue generators.

EVENT VENUES/THEATERS

The proposed Park County heritage sites include proposals for the adaptive use of the Como Roundhouse to include theater/event space and the Santa Maria, Salt Works, and Buffalo Peaks Ranches to include facilities for special events. The following are examples of comparable event centers adapted to the Rocky Mountain West, including Anderson Ranch and the Creede Repertory Theater. Additionally, a wide array of comparable historic and outdoor special event venues has been evaluated to provide market inputs into the feasibility of this type of heritage development.

Anderson Ranch

The Anderson Ranch opened in 1966 as an informal gathering place for artists and has since grown to a campus of studios, meeting/gathering spaces, cabins, and an 18-room dormitory. The ranch was incorporated in 1973 as a non-profit arts community. At the time there were three buildings; today there are more than 10 buildings. Historic barns were renovated for use as studios and galleries, and other historic buildings were moved to the ranch from the Town of Snowmass Village. Under the zoning ordinance, the 5-acre site has no room for expansion.

- **Visitation** – Arts classes include painting, photography, ceramics, and woodworking. On average, 1,200 student participants and more than 5,000 people visit the ranch each year. Visitation in 2007 has been strongest since 2001. The summer season has 130 different events and workshops, which begin on Memorial Day and finish around the end of September. Programs include artist-in-residence sessions and a very wide variety of workshops, studios, and field expeditions.

  At any given time, the 15 buildings on the site have the capacity for about 200 to 250 people. Since attendance of workshops has been increasing for quite some time, the occupancy rate is 90 percent on average.

- **Funding** – Revenues are generated through registration fees, workshop and studio fees, and field expeditions. Registration for adults is $45 and $30 for children regardless of the number of workshops the registrant attends. A $250 deposit is

required for each workshop, a $150 fee is required for field expeditions, and a $100 fee reserves housing for one week. Fees for special events range from $785 for a Japanese woodblock workshop and studio fee to $2,475 for a Canyonlands photo expedition and studio fee.

Private donations make scholarships possible for many students. Each year, a group of students from the Duke Ellington High School for the Arts in Washington, D.C. attend a special workshop at the ranch through the support of a single private donor.

Expenses include salaries for 27 full-time staff members and a couple part-time staff members. A staff of four full-time employees is dedicated solely to fund-raising. Revenues generated on site are generally sufficient to cover about 50 percent of operating expenses with the difference coming from charitable donations.

Creede Repertory Theater

The Creede Repertory Theater opened in 1966 through the interest and inspiration of a local minister and the local Junior Chamber of Commerce (JCs). The facility was advertised as a theater and a group of students from the University of Kansas responded.

Over the past 40 years, the theater has developed into a six-day per week operation from the end of May to the end of September. The main stage seats 235 people and a black-box theater seats 90. The complex contains campus-style housing for approximately 50 theater company participants.

- **Visitation** – The Creede Theater is a popular summer destination. On average, total summer attendance is estimated at 18,000 to 20,000. During the peak months of June and July, attendance is close to capacity, with overall attendance estimated at approximately 80 percent of capacity.

- **Funding** – Revenues are generated through the price of admission and the cost of the theater camps. Admission to shows ranges from $16 to $26 and children's shows and improv shows are $7 to $10. Discounted rates of 15 and 20 percent are available for groups of 8 to 19 and more than 20 respectively. Fees for the theater camps are approximately $200 per week, a fee that covers room and board.

The current annual budget is approximately $900,000. In the past few years, revenues have exceeded costs resulting in a small operating profit, leading it to consider expansion of its facilities. The theater employs five full-time people and 50 actors as well as directors and designers during the main summer season. For six to eight weeks after the month of September, a cast of about two to four actors then travels to several schools in a four state area, covering Colorado, New Mexico, Utah, and Arizona.

In about 1990, a $1.5 million restoration was completed of the main stage theater funded entirely by donations. In 2000, a $1.5 million reconstruction of the campus for the company of 50 was also funded privately, and in 2006, the restoration of the scene shop for about $300,000 was funded again through private donations.

Conclusions

The theater and comparable special event projects illustrate the establishment of a reputable and profitable theater takes a long time. The Creede Repertory Theater (operating since the late 1960s) does well because its market area has grown to a four-state region, but it was established with the inspiration of theater lovers. Still, it and the others are supported by private donations that fund most, if not all capital costs.

Special Events Venues

The Denver Metropolitan and Front Range region provides a wide variety of special event venues. A collection of venues have been evaluated based on their comparability to proposed special event space at the Como Roundhouse and the ranches. The venues evaluated include privately-owned-and-operated historic buildings/venues, the Denver Botanical Garden facilities, Denver Park Facilities, and Colorado State Park facilities from across the state.

Rental rates, including use of the facility only, range from $38 for a covered picnic area at Highline Lake State Park to $5,000 for use of the Cherokee Ranch Castle or Chief Hosa Lodge, as shown in **Table 10**. Rates vary widely based on the services available at each site. Several sites, such as the Mountain Mist Amphitheater, Grassland Picnic Area, and Highline Lake picnic area, provide a natural setting but very limited toilet and kitchen facilities. Others, such as the Grant-Humphreys Mansion, Cherokee Ranch Castle, and Chief Hosa Lodge, provide a wide range of amenities including ballroom space, full catering kitchen, and smaller meeting space.

Conclusions

The proposed event space at the Como Roundhouse will be similar to the Washington Park Boathouse in Denver and Green Farm Barn at Chatfield in Jefferson County. These two facilities charge between $550 and $900 for use of the facility as a wedding or reception site. However, both of these facilities are within the Denver metropolitan area with access to larger markets and higher demand; therefore, rates at the Como Roundhouse in Park County will likely range from $300 to $500 per event.

The proposed use of the Santa Maria, Salt Works and Buffalo Peaks Ranches for special events is most comparable to the Grassland Picnic Area, Mountain Mist Amphitheater, and Golden Gate Canyon facilities. Each of these sites provides a scenic setting to host a wedding, reception, or other large gathering such as a retreat. The rates at these facilities range from $120 to $2,000 depending on party size. The Santa Maria Ranch may provide some lodging and the use of the loafing shed in addition to the scenic setting of the valley. However, the remoteness of the location will likely keep the overall rate down. The site can therefore support a graduated rate schedule ranging from $250 to $750 depending on party size. Since Buffalo Peaks and Salt Works Ranch have the potential to provide more lodging and larger dining/kitchen facilities than Santa Maria Ranch, they are more desirable venues for overnight events and may be able to command a higher rate ranging from $500-$1500

Table 10
Special Event Venue Rates
Park County Heritage Site Planning

Facility	Weddings	Receptions/ Gatherings	Meetings
Historic Buildings/Venues			
Dunton Hot Springs [1]	$13,500 - $17,500	---	---
Grant-Humphreys Mansion	$1,000 - $3,000	---	$350 - $3,300
Vineyard Chapel	$1,250 - $2,300	$750	---
Cherokee Ranch Castle	$5,000	---	---
Denver Botanical Gardens			
Lobby Court, Gates Hall, Mitchell Hall (Downtown)	---	---	$500 - $3,000
Morrison Center (Downtown)	---	---	$350 - $450
Monet Deck & Gardens (Downtown)	---	$750 - $1,500	---
Grassland Picnic Area (Chatfield)	---	$250 - $2,000	---
Green Farm Barn (Chatfield)	---	$600 - $900	---
Corn Maze (Chatfield)	---	$300 and up	---
Hildebrand Vista (Chatfield)	---	$250 - $2,000	---
Denver Park Facilities			
Chief Hosa Lodge	$400 - $5,000	$400 - $5,000	$400 - $5,000
Washington Park Boathouse	$550	$550	---
State Park Facilities			
Bridge Canyon Overlook, Castlewood Canyon	$75 - $300	$75 - $300	$100 - $150
Cherry Creek Marina - Cherry Creek Reservior	$500 - $2,200	$500 - $2,200	$375 - $1,700
Golden Gate Canyon	$150 - $300	$150 - $300	$100
Highline Lake	$38 - $88	$38 - $88	---
Ridgway	$95 - $270	$95 - $270	$100
Mountain Mist Amphitheater, Rifle Falls	$120	$120	$25 - $50
Meadows Group Picnic Shelter, Vega	$68	$68	$68

Note: Fees include facility usage only unless otherwise stated

[1] Includes catering, equipment, and accomodation

H:\16899-Park County Heritage Project\Data\[16899-SpecialEvents.xls]Rates

MUSEUMS

The proposed Park County heritage sites include proposals for the adaptive use of the Salt Works Ranch and Paris Mill to include museums or similar exhibit space. The following are examples of comparable museums, mills and mines adapted to the Rocky Mountain West, including the Western Museum of Mining and Industry, the Argo Gold Mine and Museum, the Ouray County Museum, and the Mayflower Gold Mine, Mill and Museum.

Western Museum of Mining and Industry

The 27-acre Western Museum of Mining and Industry is located in Colorado Springs, Colorado. The museum site has a main building for exhibits, gift shop, and a Victorian-

style house and barns that are currently being restored. A few artifacts and historic pieces of machinery, such as a few engines and a stamp mill, were brought to the site.

- **Visitation** – Annual visitation is estimated to be about 25,000 to 30,000 per year. Peak season lasts typically through the summer and begins to slow in August; the months of December and January usually have no visitors. A couple special events draw large numbers of visitors during the year, one of which is an engineering event.

- **Funding and Staffing** – Revenues are generated through an admission fee and membership fees. Entrance to the museum is $8 for adults, $6 for seniors and teens, and $3 for children. Discounts are available for school groups and other organized educational groups. Memberships range from the basic $30 to more than $1,000.

  There are 3 full-time staff members who are paid and a handful of volunteers for special events. The operating budget is approximately $300,000. Revenues from admissions and a cell phone tower generate only about one-quarter of the necessary funds to cover operating expenses; the difference comes from private donations and memberships.

Argo Gold Mine and Mill

The Argo Gold Mine and Mill is an existing gold mine and mill in Idaho Springs, Colorado. A single benefactor purchased the mine in 1976 in order to preserve the history of mining in the area. The museum and tours of mines opened that year, and a year later the site was placed on the National Register of Historic Places. The site includes a gift shop, small museum and an area to pan for gold in addition to the large mine itself. The lower level of the mine building is rented to a rafting business.

- **Visitation** – The museum benefits heavily from visibility along Interstate 70. Annual visitation is estimated to be around 20,000 people per year with a peak during the summer. The facility is open from mid-April to mid-October, and is usually patronized by many organized groups and schools. The mine seems to suffice business needs through this type of patronage, and does not offer any special events.

- **Funding and Staffing** – Revenues are generated through the price of admission, which is $15 for adults and $7.50 for children. Group rates are available. A small full-time staff is employed during the open months of the year, and there are no volunteers. The mine and museum are privately operated as a 501(c)3 and generates sufficient revenue through tours and renting space to the rafting company to cover operating and maintenance expenses.

Ouray County Museum

The Ouray County Museum in Ouray, Colorado is housed in the former St. Joseph's Miners' Hospital built in 1880. The museum displays Ouray's heritage relating to employment in mining, ranching and the railroads.

The Ouray County Historical Society began exhibiting within its walls in 1971, and purchased it to use as a museum in 1976. There are currently 27 rooms on three floors used as exhibit space; small displays can be found in hallways, alcoves, and even the old hospital dumb-waiters. Some of the collections include old minerals and Native-American artifacts. The museum also features a large research center with a large

collection of historic photographs and the W. Ross Moore Mining Library of the American West.

- **Visitation** – The facility is open during most of the year except for the colder months of winter when visitation is too slow to warrant the high cost of heating. Peak visitation occurs in the summer; in 2006, there were more than 5,000 visitors to the museum. Special events are offered and based on themes relevant to the museum's collection; a guest speaker often accompanies these events.

- **Funding and Staffing** – Admission to the museum is $5 for adults, $3 for seniors and $1 for children; group rates are available, which are usually taken advantage of by organized groups like those from schools. Memberships range from $25 to more than $1,000. The museum employs a staff of several people; only a few of whom are paid, and the rest are volunteers. It is likely that revenues generated by admission are not sufficient to cover operating expenses. Any capital expenses for renovation and restoration have been funded by private donations.

Mayflower Gold Mine, Mill, and Museum

The Mayflower Gold Mine and Museum is located in Silverton, Colorado. The Sunnyside Mill and Mayflower Mill were closed in 1991, and reopened for tours only in 1997. The mining company and the San Juan Historical Society worked together to merge three different business facilities: the Mayflower Mine Tour, the Mayflower Mill and the Mayflower Museum.

- **Visitation** – Peak visitation occurs during the summer months, and the whole operation of the three businesses closes during the colder winter months to avoid the cost of heating.

- **Funding and Staffing** – Revenues for the complex of buildings are generated by the entrance and tour fee of $6.50 per person. The cost of two part-time employees and general operating expenses are this museum's major expenditures. The major expenses incurred are the $500 to $600 monthly electricity expenses, as well as the cost of insurance. The Museum operates under the 501(c)3 status, and it employs two part-time workers who sell tickets and oversee the caretaking and maintenance of the facility. There is also a volunteer chairman and a volunteer bookkeeper.

Conclusions

Few museums studied here indicate that revenues generated are sufficient to cover operating costs; those that do are still subsidized by donations. The Argo Mine & Museum sustains itself on revenues from tours and panning, but supplements its budget with rent collected on the use of the building's first floor. The Mayflower Gold Mine, Mill & Museum also covers its operating budget with revenues from fees collected by each part of the compound. The remaining museums require heavy support from benefactors and endowments.

In the operation of a mill and museum, expenses in restoration and retrofitting the facility to meet certain building codes standards should not be overlooked. There is great cost in simply lighting the building as well as constructing railings and other safety features for the benefit of children.

FIELD LABORATORY FACILITIES

The proposed Park County heritage sites include proposals for the adaptive use of the Buffalo Peaks Ranch to include the Rocky Mountain Land Library or similar research facility. The following are examples of field stations and research laboratories in the Rocky Mountain West including the University of Colorado's Mountain Research Station, and the Rocky Mountain Biological Laboratory.

Mountain Research Station

The Mountain Research Station is a field research laboratory operated by the Institute of Artic and Alpine Research at the University of Colorado at Boulder. The facility is located at 9,500 feet near the town of Nederland, Colorado. The facility was moved to the present location in 1920 on property leased from the U.S. Forest Service which was later deeded to the University. The station includes three main laboratories, including a Tundra Lab located at over 11,000 feet. In support of these laboratories, the facility includes offices, classrooms, cabins, a dining hall, and a bathhouse. In addition, the station manages the nearly 3,000 acre Niwot Ridge Biosphere Reserve for the U.S. Forest Service.

Figure 1
Tundra Lab at the Mountain Research Station
Park County Heritage Site Planning



- **Function and Operations** – The research performed at the MRS is largely conducted by visiting scientists; The Climate Program, however, established in 1952, has been monitoring the climate of the area since its inception and is run by MRS staff. The programming of the station includes undergraduate coursework in biology, geography, and geology. In addition, the station serves as a field facility for several other universities. Classes also include programs for K-12 which introduces children to environmental sciences. Several undergraduate and graduate research programs are conducted annually at the facility. It is open to the public and provides several educational experiences targeted at policy debate which affects the environment.

- **Utilization** - On an average day during the summer months, there are approximately 50 people using the facility, though only about half of them remain on site overnight. Usually about 15 researchers are commuting from Boulder, 10 researchers are stationed on the site, and there are about 20 students and 5 research assistants. During the winter months, all of the researchers commute in, and only 2 staff members are stationed.

- **Funding** - The cost of operations and maintenance is covered by user fee revenues, funding from the university and support from the National Science Foundation, Department of Energy and National Oceanic and Atmospheric Administration. Annually, about 80 percent of the station's O&M costs are covered by user fees and the remainder, which mainly cover staff salaries. For the most part, the fees paid by the users, which cover the costs of daily use of the facility and laboratories as well as the cost of tuition for summer classes, are supported by endowments or research grants. Approximately 80 percent of user fees come from such sources; the remainder come from researchers paying out-of-pocket.

  Many of the researchers and students that utilize the facility come from the University of Colorado (CU). These researchers and students typically pay for use of the site through the school. Several third party researchers also use the facility. These researchers-in-residence must pay for housing, meals, and workspace.

  Every individual that utilizes the facility must pay a daily user fee, whether a researcher or a guest. Resident researcher's daily user fees are included in the lodging price. Non-resident researchers must pay $2 per day and guests must pay $5 per day, as shown in **Table 11**. Housing at RMS ranges from $6 to $33 per day. Meals cost $22.50 per day for breakfast, lunch, and dinner; 14-meal plans are available for students at a cost of $160 per week, including breakfast on Monday through lunch on Friday. Laboratory space ranges from $30 to $65 per week, and meeting rooms range from $65 to $100 per day.

- **Lessons Learned -** This facility has been fortunate to have the university affiliation to cover the cost of its staff salaries, but in recent years, this funding has declined substantially, and the management of the facility is considering alternative sources for the future. In the opinion of the executive director, it would be better for the fiscal health of a field research station to get its financial support from an endowment, not a university affiliation; this would allow staff to devote their time solely to the operations of the station, not toward fundraising.

  Because this station has been operating for almost 90 years, it has developed a solid reputation in the research community. Researchers seek out those stations with a long history and a legacy of research; those newer facilities have a distinct disadvantage. Furthermore, because of this handicap, new research facilities should neither limit their operations to a specific type of research topic nor focus its activities around answering a few limited research questions.

Table 11
Mountain Research Station User Fees
Park County Heritage Site Planning

Facility/Fee	Unit	Fee Low	Fee High
Use Fees			
Non-Resident [1]	Per Day	$2.00	$2.00
Guest	Per Day	$5.00	$5.00
Work Space			
Office/Lab Rental	Per Week	$30.00	$65.00
Meeting Rooms	Per Day	$65.00	$100.00
Meals [2]	Per Day	$22.50	$22.50
Housing			
General Lodging	Per Day	$33.00	$33.00
Science Lodge	Per Day	$40.00	$50.00
Cabin (Winterized)	Per Day	$23.00	$40.00
Cabin (Non-winterized)	Per Day	$6.00	$23.00

[1] Use fees for resident researchers is included in the lodging fee

[2] Includes three meals per day; a 14-meal plan (Monday Breakfast to Friday Lunch) is available for students at $160/week

Source: University of Colorado Mountain Research Station

H:\16899-Park County Heritage Project\Data\[16899-LaboData.xls]RMS

Rocky Mountain Biological Laboratory

The Rocky Mountain Biological Laboratory (RMBL) is a Colorado Corporation founded by a Western State College professor (Gunnison) in 1928. RMBL was founded on the premise that a high-altitude field station was needed to better understand the local biota. The abandoned mining town of Gothic outside of Crested Butte was ideally situated to provide a base of operations for the professor's research. The deed to a portion of the town site was eventually secured and became the foundation for the present day RMBL facility.

Figure 2
Barclay Lab at the Rocky Mountain Biological Laboratory
Park County Heritage Site Planning



- **Function and Operations -** The facility houses approximately 60 researchers each summer conducting a variety of projects. The location of the facility at nearly 9,500 feet provides access to a variety of mountain habitats. Typical research at the facility investigates avian and mammalian adaptations to high elevation, animal behavior, stream ecology, climate change, and more. Many of the active projects at the RMBL are long-term, and can last for 20 or 30 years.

  Typically, interested researchers secure their own grants for research, but grants can be run through the RMBL. All scientists interested in conducting research at the facility must submit an application. Each year the applications are reviewed and several projects are selected for access to the facility. The RMBL staff also provides two summer educational sessions, either 4- or 8-weeks in duration.

- **Utilization -** In an average year, there are approximately 10,000 user days at this location. For the most active summer months – June through August, there are

usually 160 people on site per day. Approximately 50 of them are graduate students or senior researchers, 40 are undergraduate students, 60 are research assistants and the remainder is staff.

- **Funding -** The annual budget for this facility ranges from $1.5 million to $2.0 million, and the cost of operating the facility is approximately $500,000 to $600,000 per year. Revenues come from two general sources: restricted and unrestricted funds. Restricted funds, or those allocated specifically for research tasks or something else, amount to $1.5 million, and unrestricted funds usually amount to about $500,000. The RMBL does generate sufficient revenue to cover operating expenses, but only about $350,000 to $400,000 is generated through user fees, and the difference is covered by fundraising and overhead from grants.

  Most of the researchers who use the facility pay their fees by way of a special research grant or endowment; only a small portion of them pay out-of-pocket.

- **User Fees -** The RMBL facility works on the basis of allowing researchers access to habitat and providing housing and workspace during their stay. This researcher in residence model is similar to many field research stations. Due to the high altitude location of the facility it only provides housing and work space during the summer months. User fees for the facility range from daily use fees to meal plans.

  Every visitor to the facility must pay a daily user fee. Resident researchers' fee is included in the lodging price. Non-resident researchers and guests must each pay a daily fee $9.25 to $12.00 per day, as shown in **Table 12**. Housing at the facility ranges from $7 to $29 based on the facilities and whether meals are included in the price. Meals cost nearly $20 for three meals per day. Laboratory space can be rented for between $12 and $37 per day based on the facilities. There are parking fees and fees for summer courses offered by the RMBL staff.

- **Lessons Learned -** Though, there are a variety of funding sources for the RMBL, even its user fees, which represent a level of utilization not comparable to most of the research facilities in the country, are not sufficient.

Table 12
Mountain Research Station User Fees
Park County Heritage Site Planning

Facility/Fee	Unit	Fee	
		Low	High
Use Fees			
Non-resident [1]	Per Day	$9.25	$9.25
Guests	Per Day	$6.00	$12.00
Classes [2]			
4-Week	---	$1,500	$1,500
8-Week	---	$3,000	$3,000
Work Space			
Laboratories	Per Day	$12.10	$37.00
Meals	Per Day	$19.25	$19.25
Housing			
Non-cooking [3]	Per Day	$25.25	$28.75
Shared Cooking [4]	Per Day	$7.00	$14.25
Parking [5]	Per Day	$2.75	$2.75

[1] Applies to all researchers, adult family members, and research assistants not in residence

[2] Includes room, meals, tuition and station fees

[3] Includes $19.25 charge for three meals per day

[4] Excludes the cost of meals

[5] A maximum charge of $165 applies for the summer

Source: Rocky Mountain Biological Laboratory

H:\16899-Park County Heritage Project\Data\[16899-LaboData.xls]RMBL

Cal-Wood Environmental Education Resource Center

Cal-Wood is an independent non-profit institution owned and operated by the Pilot Trust. The center is located 22 miles northwest of Boulder, Colorado, just outside of Jamestown on 1,040 acres. Its mission is to promote environmental and conservation education.

Figure 3
Cal-Wood
Park County Heritage Site Planning



- **Function and Operations –** Cal-Wood offers student, teacher, and professional development courses most of the year. Program topics include wetlands, forestry, wildlife, archaeology, outdoor skills, and survival techniques. Typical student programs last from one to five days, and typical teacher enhancement programs last from two to three days.

  The facilities include one lodge that contains a classroom, dining hall, kitchen, and bathroom. There is also an office, caretaker's house, director's house, and eight sleeping cabins that can accommodate eight people each.

- **Funding –** There are four full-time staff that teach and are involved in development work, and the remainder of the instructional staff is contracted out. The center is endowed by the Pilot Trust with a majority of operations funding derived from its proceeds. Revenues from tuition cover approximately 25 percent of the annual budget.
- **Lessons Learned –** Although the center is located in close proximity to an environmentally-minded community of Boulder with a population of approximately 100,000 residents, Cal-Wood only generates sufficient income through tuition fees to cover a quarter of it's costs. However, the center is a non-profit and it is driven by its educational mission. In order to ensure that educational opportunities are accessible to a variety of students and teachers, programming and lodging fees are kept low and are not sufficient to cover costs.

Snake River Institute

The Snake River Institute is located on the Hardeman Ranch seven miles from Jackson, Wyoming. Its focus is to provide learning opportunities in art, literature, photography, history, and natural history.

- **Function and Operations –** The institute offers programs from the end of April through September for both children and adults. There are approximately 24 programs for adults that last from one to six days. Kids age 9 to 15 can participate in three day programs that have 13 different course offerings. Topics include Native American history, writing, painting, astronomy, sculpture, paleontology, and photography. Although most classes are taught in Jackson, some classes are taught offsite as far away as Santa Fe, New Mexico, and Sheridan, Wyoming**.**

  The facilities include a large renovated horse barn to accommodate administrative offices and a small cabin that houses the instructors.

- **Funding –** Revenues from tuition only cover a portion of the annual budget (60%).

- **User Fees –** One day adult programs cost approximately $45 plus materials. Three day programs in Jackson range from $250 to $400 not including lodging. Trips outside of Jackson range from $700 to $1,200 or more, including lodging but not transportation.

- **Lessons Learned –** Similar to the Cal-Wood model, revenue generated through programming fees and lodging are not sufficient to cover all operating costs. As a non-profit, the Snake River Institute relies on contributions from corporate benefactors, grants and donors to supplement its limited revenue stream and achieve its educational mission.

Conclusions

A new facility should seek the financial support of an endowment, not a university affiliation; the University of Colorado Mountain Research Station has had funding from the university for its staff, but in light of recent budget reductions, is realizing that this source should not be relied on.

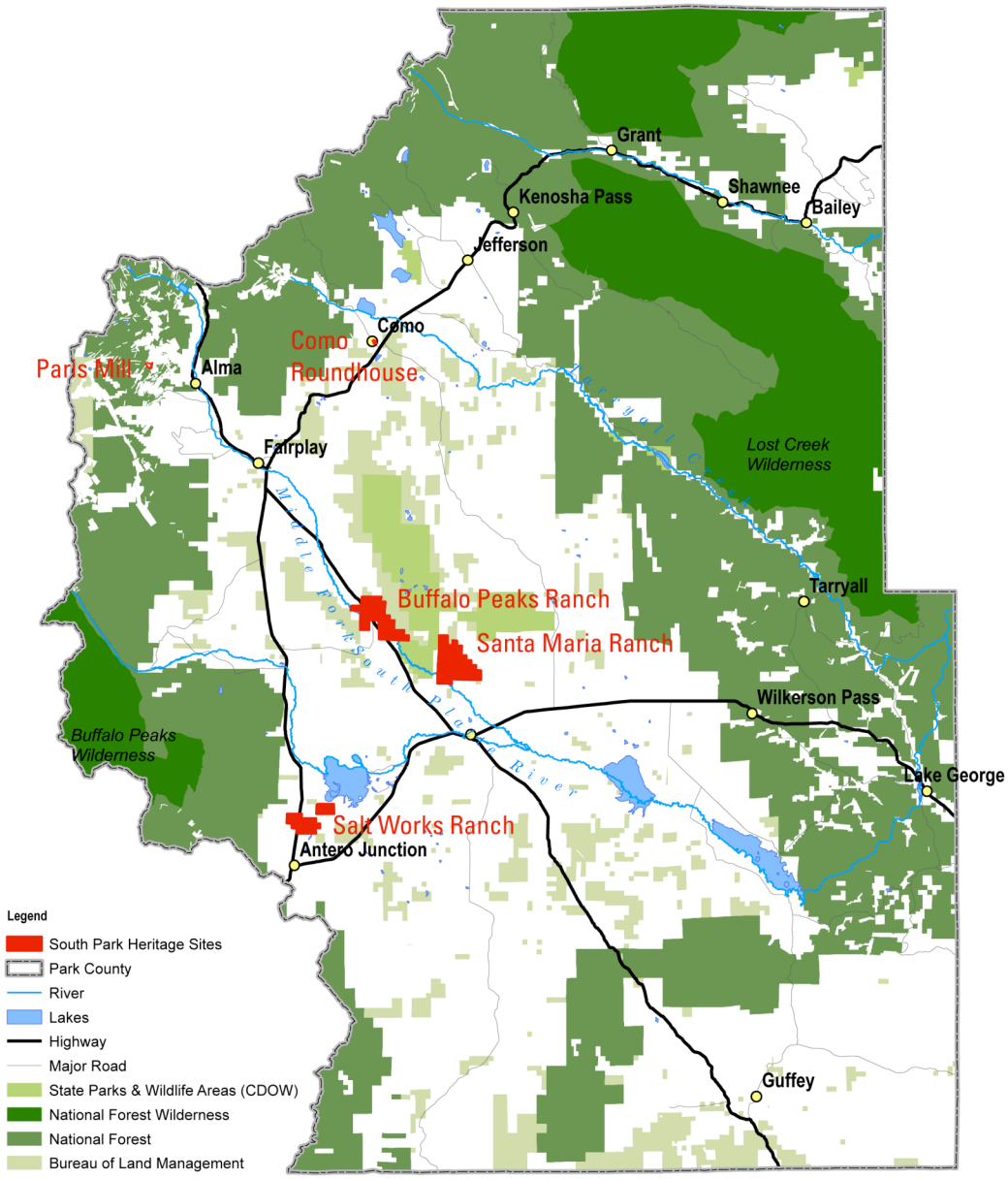
In light of the experience from the RMBL, even a successful and well-established facility does not generate sufficient user fees to cover operating expenses. A new facility, in the absence of a substantial and satisfactory endowment, should also seek to employ a staff person who devotes his/her time to fundraising.

Since many users looking for a place to conduct their work consider primarily those locations with an established reputation and a long legacy of research, a new facility should plan to operate mainly as an education or outreach facility in its first years; only after establishing more funding sources and a reputation will the facility begin attracting researchers. Furthermore, a new facility should not attach itself to a specific topic or set of topics or research questions. Such a limited mission only reduces the size of potential user markets.

IV. PARK COUNTY HERITAGE SITE ANALYSIS

This section of the report evaluates the economic and financial feasibility of the proposed heritage sites based on the visitation and utilization at comparable facilities and the characteristics of the Park County market. Visitation and utilization are estimated on the basis of proposed building programs for the Como Roundhouse, Paris Mill, and the Buffalo Peaks, Salt Works and Santa Maria Ranches. Viability of the proposed heritage tourism developments at these sites is evaluated using visitation estimates for each site, overall visitation, and other measures of economic feasibility including potential operating costs and revenues.

Five Heritage Sites within Park County



INDIVIDUAL HERITAGE SITES

Each heritage site is analyzed separately. The site analyses include a summary of the proposed development program, estimates of visitation and utilization, evaluation of the economic and financial feasibility, and recommendations for heritage tourism development. Photographs and maps of the properties introduce each of the individual sites and provide a visual reference for the discussion that follows in the report.

The analysis phase of the South Park Heritage Site Planning Project also included resource analysis of the sites. These analyses were taken into account when developing the programming and cost estimates for the sites. The technical analysis reports which include structural, architectural, mechanical/electrical, and environmental assessments can be found in the appendix of this report.

The development programs presented for each site are based on initial interviews with site owners, subsequent communications from the owners, evaluation of comparable facilities, and input from other stakeholders such as Park County. In addition, the proposed programs were compared with the estimated utilization of each proposed facility. Any modifications to the proposed program are discussed. The result is a preliminary development and marketing strategy for each site, which forms the basis of the economic and financial feasibility analysis.

COMO ROUNDHOUSE



Roundhouse doors and turntable



Ruins of tenement housing



View looking east



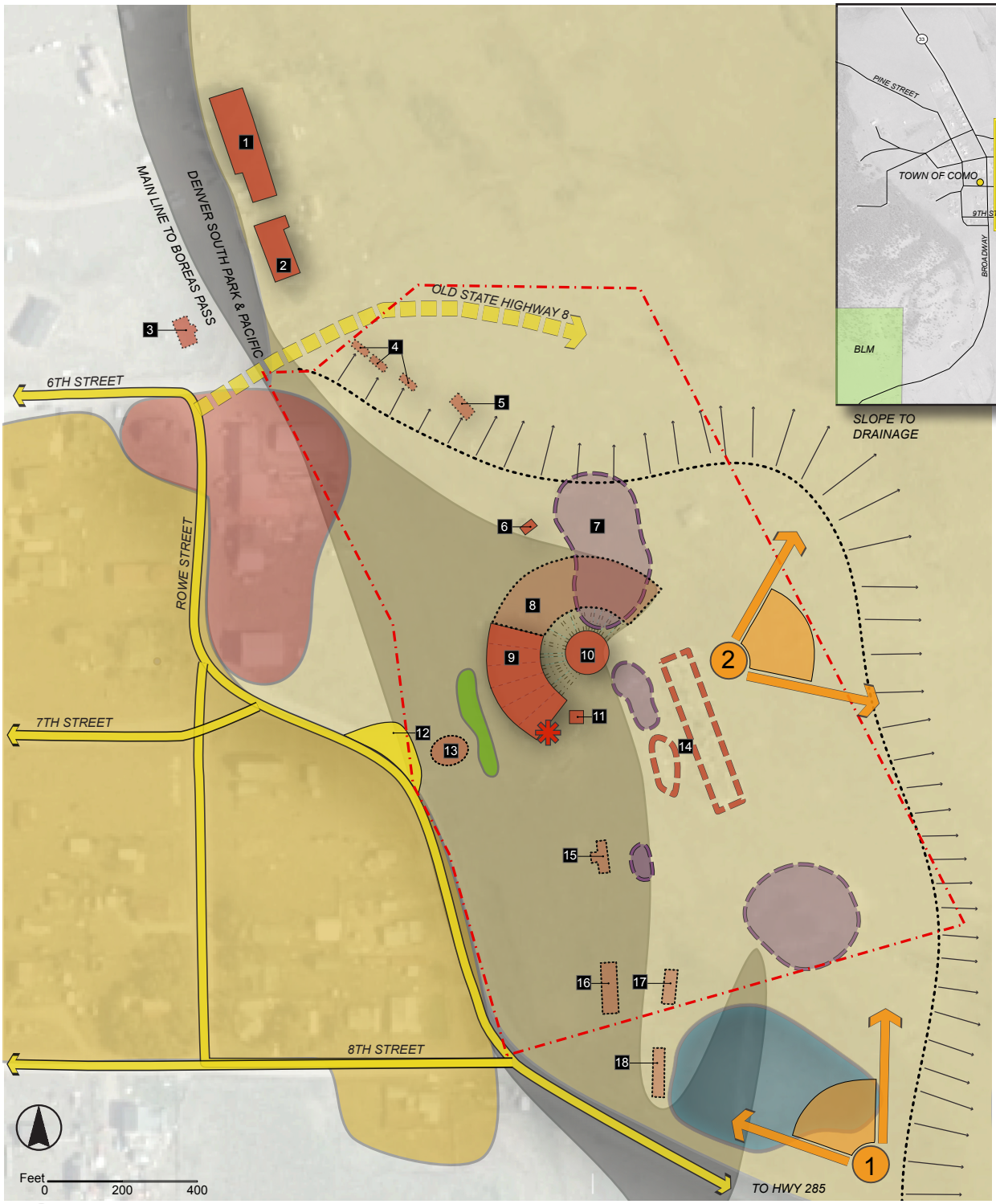
One of three outbuildings on the property

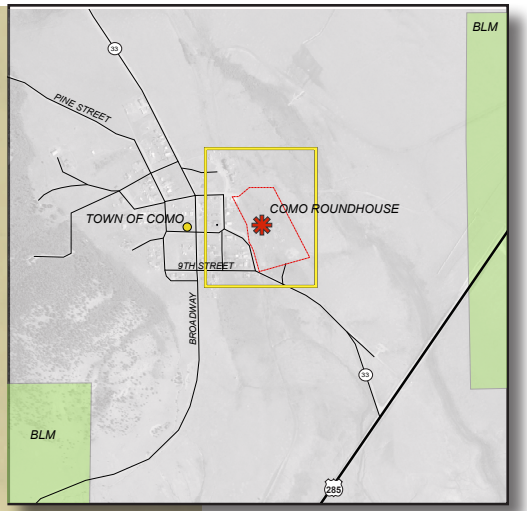


View from Town of Como looking north



Como Depot and Hotel





- Foothills / Mountain Grassland
- Historic / Current Commercial Area
- Current Residential / Portions Historic
- Existing Evergreen Trees
- Wetland / Riparian
- Disturbed Areas
- Existing Historic Structures
- Approximate Sites of Historic Structures / Facilities (non-existing)
- Area Formerly Covered in RR Tracks
- Former State Highway (non-existing)
- 1 Roundhouse Visible from Hwy 285
- 2 Expansive Open Views of Grasslands
- Main Entry
- Roadways
- Site Boundary
- Slopes

1. Hotel
2. Depot
3. Dispatcher
4. Historic Bunk Cars
5. Historic Tool House
6. Tool House
7. Existing Coal Pile
8. Location of Former Wood Engine House
9. Stone Round House
10. 50' Turn Table
11. Outhouse
12. Parking
13. Former Well Area and Water Tank
14. Site of Tenement House Foundation Remains
15. Approximate Site of Former Sand House
16. Approximate Site of Former Coal Chute
17. Former Platform
18. Former Platform

Source: *A Preservation Master Plan: Study of Alternatives For the Denver South Park & Pacific High Line.* The Historic Resources Imaging Laboratory. Texas A&M. January 1994.

CONTEXT & SITE MAPS

COMO ROUNDHOUSE

The Como Roundhouse is a historic railroad roundhouse built in 1881 by Italian stonemasons, with six engine bays situated around a turntable. The exterior of this structure has been restored, but the interior remains to be renovated and finished. Along with the nearby Como Railroad Depot and Hotel, the Como Roundhouse is listed on the National Register of Historic Places. Collectively these structures represent an important aspect of the architecture, engineering and events associated with frontier railroading in the late 1800s. In addition to the non-functioning Roundhouse turntable, there are collapsed stone tenement quarters to the side, which, if reconstructed, would tell a more complete tale of this site's history. In its application for National Heritage Area (NHA) designation, Park County would earmark significant funding for renovation of the Como Roundhouse.

Zoning/Easement/Development Restrictions

The Como Roundhouse is currently zoned as agricultural. Under most development scenarios a conditional use permit from Park County would be required for the adaptive uses discussed below. A conditional use permit generally takes about four months and is reviewed by both the planning commission and county commissioners. The owners must show that the proposed uses are compatible with adjacent land uses. They will also need to work with the Colorado Department of Transportation (CDOT) to determine traffic volume increases on US Highway 285 and what improvements may be needed to address such increases.

Most of the ideas proposed for the Como Roundhouse, including a visitor center, a concert venue, and lodging rentals, probably qualify for a conditional use permit under the "conference and retreat" category of the Park County Land Use Regulations. That category is defined as follows:
A conference and retreat facility is a permanent commercial use offering organized recreational, meeting, conference, and temporary overnight accommodations for groups of people. A conference and retreat facility customarily includes a central meeting facility, some level of communal food services, temporary overnight accommodations similar to a hotel or motel, and services customarily offered by both an outdoor recreation facility and an indoor recreational facility.
Additional information about future use of the property may be required before a determination can be made about the most appropriate conditional use category for this facility.

Development Program

A variety of uses for the Como Roundhouse have been explored, including rental accommodations, an event venue, a museum facility, dining establishment (brewpub), and operational center for additional supporting uses (e.g. ATV/Jeep rental). The site is not large enough to accommodate all of the proposed uses, nor do all of the uses fully complement the site's heritage. Each concept is briefly described below:

- **Museum** – Proximity of the building to US Highway 285 makes it an extremely visible location. The Roundhouse building could be adaptively reused to exhibit a railroad collection and to interpret the railroad history of South Park. The Denver South Park and Pacific Historical Society recently acquired a collection of items

from two Como facilities that could easily be exhibited in the renovated Roundhouse.

- **Visitor Center** – The US Forest Service (USFS) is interested in entering into a cooperative agreement with Park County to use the venue for visitor services and interpretation. The USFS would staff the Roundhouse with volunteers and partner with Park County in securing grants for interior finishes and exhibit design/fabrication. Furthermore, the location is also ideally suited to house a South Park NHA visitor center and administrative offices. In addition, the surplus interior space could be used to display historic artifacts, interpretative exhibits, and tourism information. The space could also double as event space during the evening hours.

- **Special Events / Performance Venue** – The building itself can provide flexible space for both events and small concerts. The facility could be used for weddings, receptions, and reunions, in addition to less formal "black box" theater and small ensemble performances.

- **Combined Use** – The Roundhouse could be rehabilitated to accommodate a combination of uses, such as a museum, visitor center, and special events venue as described above.

- **Lodging / Rental Accommodations** – The site includes approximately 80 acres of land that could be developed with either cabins or cabooses for lodging rental or an RV park and campgrounds. Inside the Roundhouse, the apartment in the 1st engine bay could be rehabilitated and rented or leased to a caretaker under this or other development scenarios. In addition, several small outbuildings could be reconstructed and used as vacation/day or week rentals.

- **Brewpub** – The history and architecture of the building makes it a compelling site. A brewpub developed in the building would provide a unique environment not available elsewhere in the County.

- **Additional Support Uses** – Ample land available around the site could allow for onsite storage and rental of ATVs and Jeeps.

Visitation Estimates

Visitation related to all proposed uses is addressed below, but **Table 13** shows estimated visitation for only those uses that are being seriously contemplated by the owners, as well as by the architectural and design team.

- **Museum** – The Roundhouse rehabilitated as a museum could anticipate between 10,000 and 15,000 visitors during its summer season. This visitation range is based on a 22-week season (May through September). Currently, 14,000 people visit South Park City Museum in Fairplay per year.

- **Visitor Center -** Visitation to the Roundhouse as a visitor center operated by the US Forest Service (USFS) could anticipate 25,000 to 35,000 visitors annually. Visitation to other heritage visitor centers range widely depending on the size of the site, points of attraction, and years of operation. A comparable USFS visitor center in Park County (Wilkerson Pass) now receives over 100,000 visitors and $40,000 in

retail sales revenues annually. Greater visitation could eventually be achieved at this site over time.

- **Special Events / Performance Venue** – The supply of event space in Park County is currently limited largely to public school facilities. The addition of event space at the Como Roundhouse would be a benefit to the entire County. The demand, however, for such space is unclear. Furthermore, location of the building in Como away from the population base of Fairplay makes it less than ideal. During a 22-week season from May to September with events continuing into October and November, programming could include 10 performances, five weddings, 10 receptions or gatherings, and five meetings.

- **Combined Use –** By combining the three uses discussed above, visitation to the Roundhouse would likely be higher than a museum alone, but slightly lower than a visitor center. Resources and space devoted to each of the three functions would be limited, compared to other uses alone. Visitation levels for this combination of uses could amount to 20,000-25,000 visitors annually.

- **Rental Accommodations** – The demand for rental cabins in Park County remains steady. Additional visitation generated by National Heritage Area designation would increase the overall demand for additional rental accommodations. Rehabilitation of this type, however, would detract from the historic nature of the site and could negatively impact visitation to the Roundhouse as an event venue or museum. Rental of the apartment and the outbuildings would not generally contribute to overall visitation to the site. This redevelopment option has therefore been omitted from the visitation estimates.

- **Brewpub** – Similar to the event center concept, a Brewpub would be a strong asset for Park County. Dining establishments rely on three main populations for patronage, including residents, lodgers, and travelers passing by. The Como Roundhouse location only has strong access to one of these three populations: travelers passing by on US 285. These travelers typically arrive and depart only by car (as opposed to taxi, bus or light rail). Also, use of the building for a brewpub alone will result in underutilization of this historic site. The brewpub theme was therefore determined to be an inappropriate use of the site.

- **Additional Support Uses** – Park County is not known for rugged four-wheel drive terrain like other locations, such as Telluride, Ouray, Lake City, and Moab. These locations provide ample access to rugged terrain and scenic drives. The competitive disadvantage of Park County suggests that any ATV or Jeep rental operation would have marginal success at best. This point is underscored by two commercial jeep tour businesses that failed within the first two years of operation in this area. In addition, the storage of ATVs and Jeeps on site would have a significant negative impact on the historic nature of the building and site. This use is not compatible with interpretative use of the site.

Table 13
Como Roundhouse Visitation Projection
Park County Heritage Site Planning

	Factor	Museum	Visitor Center	Special Events	Combined Use
Day Visits					
Low Estimate		10,000	25,000	0	20,000
High Estimate		15,000	35,000	0	25,000
Low Estimate - per day		27	68	0	55
High Estimate - per day		41	96	0	68
Special Events					
Number of Events					
Performances		0	0	10	5
Weddings		0	0	5	2
Receptions / Gatherings		0	0	10	5
Meetings		0	0	5	2
People Attending					
Performances	60	0	0	600	300
Weddings	100	0	0	500	200
Receptions / Gatherings	60	0	0	600	300
Meetings	40	0	0	200	80
Subtotal		**0**	**0**	**1,900**	**880**

Source: Chamberlain Architects; Economic & Planning Systems

H:\16899-Park County Heritage Project\Models\[16899-ComoRoundhouse.xls]Visitation

Economic Considerations

This section outlines estimates of capital improvement costs, operating expenses, revenues, and operational and financial feasibility of the development programs for which visitation estimates have been generated.

The most viable use of the site will capitalize on a blend of its assets and market demand for heritage tourism. Considering the historic and architectural significance of the Como Roundhouse, its assets make it an authentic heritage tourism site.

Table 14 shows estimated capital improvement costs for the Roundhouse based on the development programs described. The estimated costs for rehabilitation of the site as a museum, visitor center, special events venue, or a combination of uses range from $490,000 to $1,620,000. Costs include:

- $20,000 to $25,000 to finish and improve the apartment, which is approximately 380 square-feet.
- $20,000 to convert the existing 150 square-foot kitchen into a commercial kitchen.
- $50,000 to $75,000 to rehabilitate one of the outbuildings into rustic 300 square-foot cabins suitable for one bedroom. There are three outbuildings on site; therefore it could be possible to create 2 additional rental cabins on the property for another $100,000-150,000.

- $50,000 for site improvements, which includes expanded parking, accessible pathways, a seating area (for the special events venue), interpretive signage, and site cleanup.

As shown in **Table 14**, the rehabilitation of the Roundhouse as a museum would cost an estimated $490,000 to $920,000, including the apartment, kitchen, and other site elements listed above. The low end of this cost range reflects all the basic clean-up/rehabilitation requirements mentioned above and would require cleanup and the addition of new mechanical, electrical, and plumbing systems. The upper end of this cost range reflects rehabilitation of the structure more on par with specifications for the visitor center.

The cost estimate to rehabilitate the structure as a visitor center ranges from $600,000 to $1,200,000. This investment level reflects all the basic clean-up/rehabilitation requirements mentioned above, the need for an interior suitable to display exhibits, and the range possible finishes.

The cost estimate to rehabilitate the Roundhouse as a special events venue ranges from $800,000 to $1,500,000. This level of investment reflects all the basic clean-up/rehabilitation requirements mentioned above, and includes costs for design elements associated with holding special events, such as a reception area, stage, etc.

The estimated cost range for combined use reflects the maximum cost range for rehabilitation of the Roundhouse.

Table 14
Como Roundhouse Capital Cost Estimates
Park County Heritage Site Planning

	Museum	Visitor Center	Special Events	Combined Use
Main Building Rehabilitation				
Low Estimate	$400,000	$600,000	$800,000	$800,000
High Estimate	$800,000	$1,200,000	$1,500,000	$1,500,000
Apartment				
Low Estimate	$20,000	$20,000	$20,000	$20,000
High Estimate	$25,000	$25,000	$25,000	$25,000
Kitchen				
Low Estimate	$20,000	$20,000	$20,000	$20,000
High Estimate	$20,000	$20,000	$20,000	$20,000
Outbuildings (Rustic Cabins)				
Low Estimate	$50,000	$50,000	$50,000	$50,000
High Estimate	$75,000	$75,000	$75,000	$75,000
Total				
Low Estimate	**$490,000**	**$690,000**	**$890,000**	**$890,000**
High Estimate	**$920,000**	**$1,320,000**	**$1,620,000**	**$1,620,000**

Source: Chamberlain Architects; Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-ComoRoundhouseCosts.xls]Costs

Annual operating costs for the Roundhouse include estimated annual taxes, utilities, a maintenance reserve fund, and administrative costs associated with staffing. The low end of estimated annual operating costs range from $79,000 to $93,000, as shown in **Table 15**. If capital improvements approach the higher end, operating expenses may range from $94,000 to $118,000 annually.

Additional operating expenses are not shown here, including the cost to insure the Roundhouse and irreplaceable artifacts, as well as exhibits. If operators of the facility choose to carry insurance on such items or the building, the cost of insurance would be highly dependent on the value of artifacts and exhibits displayed or the insurance policy carried, both of which are unknown at this time.

One possibility for financing the capital improvements would be to secure a commercial loan. Annual payments for the low-end capital improvements range from $44,000 to $79,000, assuming a 30 year fixed-rate loan at 8.0 percent. Annual payments for the high-end capital improvements range from $82,000 to $145,000.

A visitor center scenario will most likely involve the owner leasing the building to the USFS. Under such terms, operating expenses such as taxes, utilities and a maintenance reserve would be offset by the rent paid to the building's owners. This would leave only the cost of insurance and cost of debt service as expenses. At this time, the USFS has expressed interest in using the Roundhouse as a visitor center facility and staffing it with seasonal volunteers. The USFS are only interested, however, if no rental fee is associated with use of the Roundhouse as a visitor center.

Table 15
Como Roundhouse Operating Cost Estimates
Park County Heritage Site Planning

	Factor	Museum	Visitor Center	Special Events	Combined Use
Operations & Maintenance					
Estimated Taxes		$7,200	N/A	$13,100	$13,100
Utilities [1]		$1,250	N/A	$1,250	$1,250
Maintenance Reserve[2]		$9,800	N/A	$17,800	$17,800
Subtotal		**$18,250**	**N/A**	**$32,150**	**$32,150**
Subtotal (High-End Capital Costs)		$33,250	$47,150	$57,550	$57,550
Administration					
Staff	FTE	1.5	N/A	1.5	1.5
Staff Salaries / Benefits		$56,250	N/A	$56,250	$56,250
Housekeeping [3]		$4,560	N/A	$4,560	$4,560
Subtotal		**$60,810**	**N/A**	**$60,810**	**$60,810**
Total Operating Costs		**$79,060**	**N/A**	**$92,960**	**$92,960**
Loan Payment		$43,525	$61,291	$79,056	$79,056
Total w/ Cost of Debt		**$122,585**	**$61,291**	**$172,016**	**$172,016**
Total Operating Costs (High-End Capital)		$94,060	N/A	$118,360	$118,360
Loan Payment (High-End Capital Costs)	8%	$81,721	$117,252	$143,900	$143,900
Total w/ Cost of Debt (High-End Capital Costs)		$175,781	$117,252	$262,260	$262,260

[1] Note: Based on a season that last from beginning of May through end of September.

[2] Note: Based on capital investment.

[3] Note: Assumes cleaning every day during season for 3 hours at $10/hour.

Source: Chamberlain Architects; Economic & Planning Systems

H:\16899-Park County Heritage Project\Models\[16899-ComoRoundhouse.xls]Operating Expenses

Potential revenues for the site could include:

- **Entrance Fees** – Under the museum or combined use scenarios, an entrance fee of $6 for adults and $3 for seniors, students, and children could be charged. These rates are on the low end of entrance fees for comparable museums described in this report.
- **Memberships** – Also under the museum or combined use scenarios, memberships starting at $30 could generate extra revenue. This rate is also low relative to other startup membership rates at comparable museums.
- **Performances** – Under the special events venue and combined use scenarios, the facility could charge admission to performances. These tickets could be priced at $10 for adults and $5 for seniors, students, and children.
- **Weddings** - Under the special events venue and combined use scenarios, the facility could charge a facility use fee of $1,000 per wedding. This rate is on the low end of comparable special events facilities outlined in **Table 10**.

- **Receptions / Gatherings** – Receptions or gatherings at the Roundhouse could generate revenues at a rate of $600 per event, a rate also on the low end of comparable facilities.
- **Meetings** – The facility could be used for meeting space under certain design scenarios, and could charge a rate of $300 per day. This rate is supported by comparable facility fees presented on **Table 10**.

The proposed uses would generate a range of estimated revenues, as shown in **Table 16**. As a museum, the Roundhouse could generate between $54,000 and $84,000 depending on the low and high visitation estimates. Under the visitor center scenario, however, the USFS would not charge an entrance fee, which would eliminate that source of revenue. As a special events venue, the facility could generate approximately $22,000 in revenue from a combination of events. As a combined use facility, revenues could range from $102,000 to $132,000 annually, based on low and high estimates of visitation to the museum/visitor center.

Table 16
Como Roundhouse Estimated Revenues
Park County Heritage Site Planning

	Factor	Portion	Museum	Visitor Center	Special Events	Combined Use
Entrance & Membership						
Low Estimate						
Entrance - Adult	$6	60%	$36,000	N/A	---	$72,000
Entrance - Seniors, Students, Children	$3	40%	$12,000	N/A	---	$24,000
Memberships	$30	200	$6,000	N/A	---	$6,000
Subtotal			**$54,000**	**N/A**	**$0**	**$102,000**
High Estimate						
Entrance - Adult	$6	60%	$54,000	N/A	---	$90,000
Entrance - Seniors, Students, Children	$3	40%	$18,000	N/A	---	$30,000
Memberships	$30	400	$12,000	N/A	---	$12,000
Subtotal			**$84,000**	**N/A**	**$0**	**$132,000**
Special Events Admission Revenue						
Performances						
Ticket - Adult	$10	60%	$0	$0	$7,200	$1,800
Ticket - Seniors, Students, Children	$5	40%	$0	$0	$2,400	$600
Weddings	$1,000		$0	$0	$5,000	$2,000
Receptions / Gatherings	$600		$0	$0	$6,000	$3,000
Meetings	$300		$0	$0	$1,500	$600
Subtotal			**$0**	**$0**	**$22,100**	**$8,000**
Grand Total - Low Estimate			**$54,000**	**N/A**	**$22,100**	**$110,000**
Grand Total - High Estimate			**$84,000**	**N/A**	**$22,100**	**$140,000**

Source: Economic & Planning Systems

H:\16899-Park County Heritage Project\Models\[16899-ComoRoundhouse.xls]Revenues

Based on the economic analysis, neither the museum nor the special events venue would generate sufficient revenues to offset the cost of operations and maintenance. The financial feasibility of each proposed development scenario is described below and in **Table 17**.

- **Museum** – From an operational feasibility standpoint, the museum would operate at an annual deficit of approximately $10,000, assuming high visitation and cost to maintain high-end capital improvements. From a financial standpoint, it would require a separate source of funding such as an endowment.

- **Visitor Center** – A USFS visitor center would be stocked and staffed by volunteers. Rent, utilities and insurance would not be covered by the USFS. From a financial standpoint, the cost of debt service would also need to be covered through some other source of funding or subsidization.

- **Special Events Venue** – The special events venue would operate at an annual deficit of approximately $96,000, excluding loan payments. This type of venture would require substantial outside funding.

- **Combined Use** – From an operational standpoint, combined use of the site would operate with an annual profit of approximately $21,000, or an 18 percent profit margin.

Table 17
Como Roundhouse Estimated Feasibility
Park County Heritage Site Planning

	Museum	Visitor Center	Special Events	Combined Use
Operational Feasibility				
Total Revenue - High	$84,000	N/A	$22,100	$140,000
Operating Costs - High End Capital	$94,060	N/A	$118,360	$118,360
Annual Net Cash Flow	**-$10,060**	**N/A**	**-$96,260**	**$21,640**
Profit Margin	-10.7%	N/A	-81.3%	18.3%
Financial Feasibility				
Total Revenue - High	$84,000	N/A	$22,100	$140,000
Operating Costs	$94,060	N/A	$118,360	$118,360
Loan Payment	$81,721	$117,252	$143,900	$143,900
Annual Net Cash Flow	**-$91,781**	**-$117,252**	**-$240,160**	**-$122,260**

Source: Chamberlain Architects; Economic & Planning Systems
H:\16899-Park County Heritage Project\Models\[16899-ComoRoundhouse.xls]Feasibility

If a commercial loan were used to fund the capital improvements, each of the proposed rehabilitation scenarios would operate with an annual net deficit. While the annual net deficit for a museum would be lowest relative to the combined use, the cost of capital for the combined use has been estimated using the maximum (high end) amount of capital investment. A commercial loan, however, is one possibility for funding the capital improvements among many others. Additional funds may be available through grants, charitable donations, endowments, preservation tax credits, and subsidies. Recommendations for implementation strategies and funding sources will be provided in the next phase of the project.

Recommendations

If visitation estimates to this facility under the variety of rehabilitation scenarios were achieved, either the visitor center use or the combined use would be operationally feasible. Under both scenarios, however, additional funding would be necessary to service the debt on a commercial loan, if such a tool were used to pay for capital improvements.

Three options exist for the owners of this site. The Roundhouse could be leased, sold, or developed. Under a lease agreement with the USFS, for example, the building would be used as a visitor center but there would be no revenue generated by the lease. The facility could also be sold to a prospective buyer who would be willing to operate it under a particular development scenario outlined above. Under this scenario the current owners may want to consider putting a conservation easement on the property since preservation is their top priority and they would want to ensure that upon sale and development of the property that the historic integrity of the Roundhouse is maintained.

Thirdly, the site could be developed according to any combination of program scenarios of the current owner's choosing.

Based on the economic and financial analysis outlined above, the best operations and maintenance cost scenario may entail leasing the facility to a not-for-profit organization such as the Denver, South Park & Pacific Historical Society. It would be essential that the lease fee is enough to cover the upkeep and long-term maintenance of the building. The advantage of this scenario is that the building would be occupied, cared for and open to the public and the current owners could still use the property for private functions.

A recent meeting between Park County and new owners of the Como Hotel/Depot suggests that an opportunity now exists to cooperatively develop other ideas, uses and funding scenarios for the Roundhouse. Owners of the Hotel/Depot are completely renovating the hotel, opening a gourmet restaurant with their new sous-chef, and eventually restoring the historic train depot. While the possibilities this tenders to owners of the Roundhouse are currently unknown, plans for the Como Hotel/Depot appear to be consistent with the Roundhouse scenarios discussed above.

To ensure the long-term success and sustainability of all interests in the community, it is highly recommended that owners of the Roundhouse collaborate with owners of the Hotel/Depot, the Park County Tourism Office, Park County Historic Preservation Office, US Forest Service and others, regarding the future use, programming and marketing of all resources comprising the Como Historic Railroad Complex.

Implementation - Non-profit Establishment

If the owners of the Roundhouse elected to develop the property in some capacity and open it to public use, a first step in implementing heritage tourism development may be the establishment of a non-profit organization to operate the Roundhouse venture. This would require filing an application with the IRS for 501(c) (3) status. The benefits of having 501(c) (3) status include exemption from federal income tax and eligibility to receive tax-deductible charitable contributions. Individual and corporate donors are more likely to support organizations with 501(c) (3) status because their donations can be tax deductible. 501(c) (3) status also assures foundations and other grant-making institutions that they are issuing grants or sponsorships to permitted beneficiaries. The Roundhouse non-profit organization could appeal to historic preservationists and railroad aficionados for their tax-deductible contributions. Similarly, foundations and other grantors will look favorably on an organization with a focused preservation mission and clear plans for maintaining the historic values of the property and sharing its heritage with the public. If ownership of the Roundhouse property was transferred to the non-profit, then the non-profit could apply to DOLA's Department of Property Taxation for exemption status.
To be tax exempt, an organization must have one or more *exempt purposes*, stated in its organizing document. Section 501(c)(3) of the Internal Revenue Code (IRC) lists the following exempt purposes: charitable, educational, religious, scientific, literary, fostering national or international sports competition, preventing cruelty to children or animals, and testing for public safety. The Roundhouse non-profit would most likely be set up as an educational organization if the venture included railroad interpretation, exhibitry and/or museums, as well as, musical performances and educational programming all of which fall under the educational organization exemption category.

Activities that promote the *erection or maintenance of public buildings, monuments, or works* fall under the charitable organization category, so that could be another option for the Roundhouse non-profit.

The landowners would most likely donate the Roundhouse to the non-profit in order to qualify for a tax- deduction since the structure's full value can be deducted. If the non-profit is terminated for any reason, the non-profit's assets must be transferred to another non-profit. So by establishing a non-profit and donating the Roundhouse to the organization, the current landowners do give up individual rights to the structure. As a non-profit venture, the Roundhouse house would most likely not be taxable for Park county property taxes which would reduce the operations costs for the venture. The non-profit corporation would need to buy liability insurance and this cost would be need factored into the maintenance costs.

If the owners would like to pursue establishment of a non-profit, the first steps would be to determine the non-profit's missions and purpose, establish a board of directors, identify how the non-profit would be structured (e.g. charitable or educational organization) and assess what its primary sources of financial support would be (e.g. private donors, grants, memberships, fundraising events). In order to ensure control of the non-profit, the current landowners could limit the board to themselves. It is advised that the owners seek the council of a professional in the field of setting up non-profits. A Non-Profit Resource Coordinator or an attorney specializing in non-profits could complete the necessary applications to file tax-exempt status. The fee for this assistance typically ranges from $4,000-$7000. The paperwork is not complicated and the owners could complete it themselves, but professional assistance will expedite the process and help ensure successful establishment of the non-profit organization upon the initial application.[5]

[5] For additional resources on applying for 501(c)(3) status and operating non-profit organizations go to http://www.irs.gov/charities/article/0,,id=96109,00.html or http://www.coloradononprofits.org/

BUFFALO PEAKS RANCH



Looking north towards the ranch headquarters



Horse barn with cattle loafing shed behind



Front porch of the ranch house



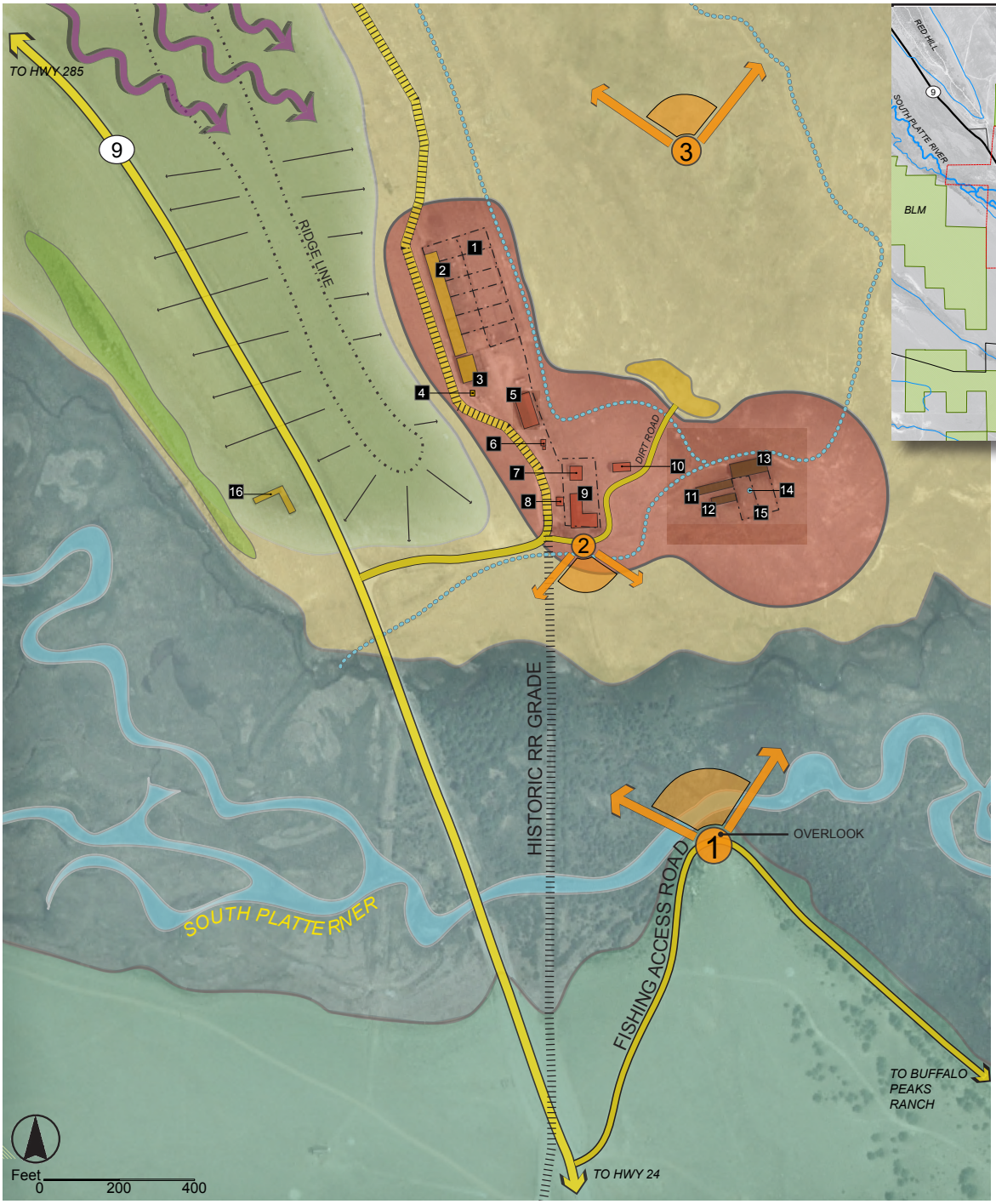
Large wooden barn

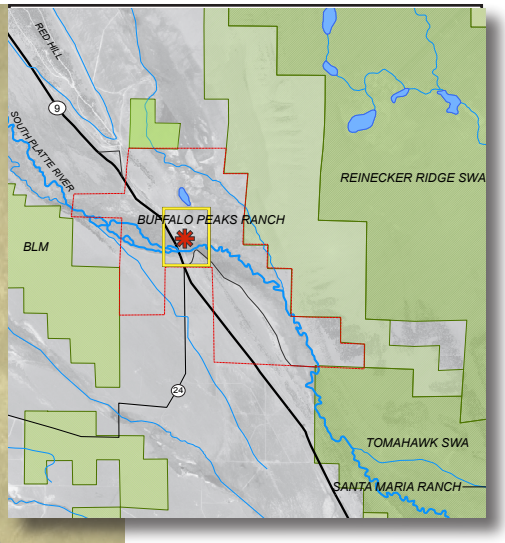


Bunkhouses and cookhouse



Ranch headquarters looking southeast





- Foothills / Mountain Grassland
- Ranch Headquarters
- Cattle Feeding Area
- Existing Evergreen Escarpment
- Wetland / Riparian Corridor
- Rocky Mountain Bristlecone Pine
- Irrigated Agriculture
- Main Area Structures
- Sheep Area Structures
- Cattle / Horse Area Structures
- 1 South Platte River / Mountain Views
- 2 South Platte River Views
- 3 Valley Views to Mountains
- Irrigation Ditch
- Historic RR Grade
- Roadways
- Storm Winds
- Slopes
- Fencing

1. Cattle / Horse Area
2. Cattle Loafing Shed - concrete west wall
3. Horse Barn - concrete and wood 2 story structure
4. Storage
5. Garage / Workshop
6. Metal Shed / Workshop
7. Cook House
8. Newer Garage
9. Main House - several additions; south facing porch
10. Bunk House
11. Corrugated Metal Shed - higher roof; skylights; south facing
12. Metal / Corrugated Shed - low roof; south facing
13. Wood Barn - high ceilings; large south facing windows
14. Well Pump
15. Cattle Sheds
16. Corrals (board fencing)

CONTEXT & SITE MAPS

BUFFALO PEAKS RANCH

The 1,840-acre Buffalo Peaks Ranch was purchased by the City of Aurora in 1985. A Cooperative Agreement between Aurora and the Colorado Division of Wildlife (CDOW) provides six miles of public fishing access for a period of 99 years, in partial fulfillment of a State mitigation requirement related to the construction of Spinney Mountain Reservoir. The property functioned as a working cattle ranch until the mid-1990s but use is now limited to seasonal grazing. Aurora has agreed to consider Park County's interest in preserving and adaptively reusing the ranch for heritage tourism and other public purposes. Many uses have been proposed, including a land library, solar power array, meatpacking or biomass utilization plant, heritage tourism destination, and residential subdivision.

This 1863 ranch is among the oldest ranches in the area. Facilities include the main ranch house, two large bunkhouses, a corral and barn, and several additional outbuildings. Most of the buildings were used until the mid-1990s and are still considered sound.

The Middle Fork of the South Platte River bisects the ranch and is a tremendous natural and recreational resource. Designated as *Gold Medal Water* by the CDOW, this stream possesses the highest-quality aquatic habitat and provides outstanding angling opportunities for large trout. Park County has partnered with Trout Unlimited to enhance several miles of the river and associated riparian community on the ranch during 2008.

Zoning/Easements/Development Restrictions

The Buffalo Peaks Ranch is currently zoned agricultural. Many of the development proposals for the ranch could be implemented while retaining agricultural zoning status. For example the Rocky Mountain Land Library, the field station and the visitor center concepts would be considered a "Conference and Retreat Facility" and would therefore be permitted as a conditional use within the existing agricultural zone. Conference and retreat facilities are defined in the Park County Zoning Regulations as follows:

A conference and retreat facility is a permanent commercial use offering organized recreational, meeting, conference, and temporary overnight accommodations for groups of people. A conference and retreat facility customarily includes a central meeting facility, some level of communal food services, temporary overnight accommodations similar to a hotel or motel, and services customarily offered by both an outdoor recreation facility and an indoor recreational facility.

A change in zoning status would likely be required to permit other more industrial uses such as the meatpacking or woody biomass processing plants. The rezoning process takes three to six months, depending on the complexity and compatibility of proposed new uses. The proponents must show that the uses proposed are compatible with the site and neighboring properties. They would also need to work with the Colorado Department of Transportation (CDOT) to determine traffic volume increases on the adjacent highway and what improvements may be needed to the highway due to such increases. In addition, a commercial well permit would be required since the current well is permitted for agricultural use.

Proposed Development Program

Following an evaluation and analysis of a variety of potential adaptive uses for the Buffalo Peaks Ranch, Park County has identified the Rocky Mountain Land Library (RMLL) and associated "campus" development as the preferred option (see Appendix A for a summary analysis of all proposed uses). Park County feels that the RMLL is a very unique concept that has the potential of capturing a broad spectrum of institutional interests and heritage tourism markets. Furthermore, the RMLL concept is consistent with Park County's economic development goals and objectives, and would fill a demonstrable heritage tourism niche. It is concluded that development of the RMLL land-study center at Buffalo Peaks Ranch is a high priority for the Park County Heritage Tourism Program, if it is judged to be an economically feasible use of this site.

The RMLL has selected Buffalo Peaks Ranch as their preferred location to create a residential library specializing in literature pertaining to Western and natural history. The land library would require adequate room to store and exhibit 15,000 to 25,000 volumes and to provide space for a variety of programmatic uses. The RMLL has proposed a full slate of programs, including writing and artist workshops, natural history classes, cultural heritage programs, traditional crafts, stream conservation, and fly-fishing instruction.

The RMLL could provide a foundation necessary for a variety of related academic activities including a field research station for archaeology, biology, hydrology, geology, and geography. Similar research stations operate elsewhere in Colorado. A research station or learning/working education center would require laboratory space, office and meeting space, housing, a dining hall, and other support facilities. The CU Mountain Research Station, Rocky Mountain Biological Laboratory, Cal-Wood Environmental Education Center, and Snake River Institute (reviewed above) are comparable facilities illustrative of the possibilities. Most of these facilities have been operating since the early 1900s. An initial application of the field research station could be the current and ongoing South Park Archaeology Project.

Moreover, new lodging, dining and meeting facilities otherwise required by the RMLL could serve the large and growing heritage tourism markets in Colorado and other states. Front Range cities alone represent 2.8 million potential trips annually to natural, historic and agricultural sites by 2010. Comparable Colorado facilities such as May Farms and Devil's Thumb Ranch each attract between 20,000 and 25,000 annual visitors. The same markets could potentially be captured to offset operating costs at Buffalo Peaks Ranch when these facilities are not otherwise being utilized by the RMLL.

Buffalo Peaks Ranch could also serve as headquarters for the proposed South Park National Heritage Area once it is designated by Congress and signed by the President. The RMLL would benefit from this additional exposure and from the opportunity to showcase its ongoing research and programs at the ranch.

Visitation Forecast

Under a development program encompassing research, learning, and experiential education elements, visitation could vary widely. Visitation to the RMLL would be closely linked to research, while visitation to a learning/working education center would be dependent on the variety of programs and courses offered.

By coupling the library to a larger field research station or learning center, visitation to the facility should increase significantly. The CU Mountain Research Station (MRS) and

Rocky Mountain Biological Laboratory (RMBL) can each accommodate between 60 and 80 researchers, accompanying research assistants, and students. The accommodations at both the Cal-Wood Education Center and Snake River Institute hold between 40 and 64 people each. The total capacity at RMBL is approximately 160 people. The Buffalo Peaks Ranch field station would likely need to start with a much smaller but diversified program. To house the South Park Archaeology Project the site would need to accommodate 10 researchers and accompanying staff or students. The RMLL and field station will serve the public, researchers, and RMLL workshop participants and guests from May through October (26 weeks).

The RMLL will target Front Range heritage tourism markets and will appeal to the general heritage tourist as well as the more focused traveler. Examples include students and enthusiasts of Native American history; ranching, mining, railroad and early settlement history; western literature; and natural history. Studies of agritourism in Colorado conducted by researchers from Colorado State University suggest that the market for such tourism opportunities is growing (see Agritourism/May Farms in the Comparable Facilities chapter). Agritourism is broadly defined to include outdoor recreation, educational experiences, entertainment (e.g. festivals), lodging and outfitter services, as well as the direct sale of farm/ranch products, all of which could potentially be developed at the Buffalo Peaks Ranch.

Economic Considerations

If development at Buffalo Peaks Ranch is restricted to the RMLL and field station, the ranch will need to rely heavily on grants, donations and user fees, similar to other comparable facilities. The CU Mountain Research Station is funded through the University of Colorado and federal research grants, which help to maintain and expand the facility. A combination of Federal research grants, private donations, and user fees are used to cover its annual operating expenses. User fees for the RMLL and field station facilities would likely mirror the fees charged by both MRS and RMBL. Such fees would likely only cover a portion of the annual operating costs at Buffalo Peaks Ranch. Therefore, annual operations of the RMLL will also rely on revenue generated from lodging, programs and meals, grants, donations, and/or strategic partnerships. Similarly, the Anderson Ranch offers over 100 events and workshops during the season and hosts over 5,000 visitors each year, yet it still relies on donations to cover over 50% of its operating costs. These different models suggest that combining RMLL program use with public use (lodging, food service, events) will be necessary to offset operating expenses at Buffalo Peaks Ranch.

In order to develop an operation at Buffalo Peaks that is self-sustaining and not dependent on grants and private donations, it will be necessary to manage lodging, dining and meeting facilities for public heritage tourism use in combination with RMLL and research use. To do this, the RMLL will either need to 1) partner with a hospitality provider, or 2) shift its focus toward marketing and catering to the general public. A management approach that combines public use (lodging, meals, special events) with RMLL use (workshop fees, lodging, meals) and research use (funded residencies, research fees, lodging, meals) would establish a sustainable business model from the outset that isn't dependent on annual contributions or donations.

Currently, the RMLL is focusing on securing private donations and they also intend to pursue foundation grants, as well as state and federal support focused on environmental education, the arts, and libraries. Given the intensive capital investment required to adaptively re-use the ranch and establish the RMLL, outside contributions will be

essential to develop ranch infrastructure. But if a partner is secured to provide hospitality services, perhaps ongoing contributions will not be necessary to sustain operations.

The ongoing South Park Archaeology Project is facilitated by Skidmore College in New York State. Skidmore could become a strategic institutional fundraising partner for capital improvements and/or annual operations. With institutional commitment and participation, the facility could be operated as a public/private venture with supplemental funding from various levels of government and/or private foundations.

The capital costs associated with the RMLL and field station will be intensive as shown in **Table 18**. The library itself will require restoration of a historic building, including structural improvements and associated utilities. In addition, the field station will require housing and dining facilities, laboratory space, and additional equipment storage. Furthermore, the site will require improvements to the grounds, including non-motorized paths, parking, and utility upgrades. Depending on the scope of these improvements, the capital costs associated with developing the RMLL campus will likely range between two and three million dollars.

Table 18
Buffalo Peaks Capital Cost Estimates
Park County Heritage Site Planning

	Size	Quantity	Cost per Unit / sf	Total Cost
New Construction				
Library w/special environmental controls, relatively high level of finish	3,250	---	---	$900,000
Caretaker Residence	1,500	---	---	$225,000
Cottage Units (1-bedroom)	400	3	$100,000	$300,000
Cottage Units (2-bedroom)	600	3	$150,000	$450,000
Sub-Total	**---**	**---**	**---**	**$1,875,000**
Building Rehabilitation / Re-use				
Main Ranch House (commercial kitchen, dining area, orientation/welcome center)	3,000	---	---	$220,000
Large Barn (convert upper level to conference space)	4,000	---	$75	$300,000
Large Shed (convert to office, retail, exhibition, or studio space)	2,500	---	$175	$450,000
Medium Sheds (rehabilitate as a pavilion)	1,400	---		$60,000
Small Sheds (convert to office, retail, exhibition, or studio space)	1,100	---	$175	$200,000
Bunkhouse (small 16 pp w/ bunk beds)	600	---	$65	$39,000
Bunkhouse (large, 20 pp w/ bunk beds and an enlarged restroom)	1,000	---	$65	$65,000
Sub-total	**---**	**---**	**---**	**$884,000**
Outdoor Amenities				
Trails, Pathways, Parking	---	---	---	$75,000
Outdoor Gathering Space/Classroom	---	---	---	$25,000
Signage, Interpretive Facilities	---	---	---	$40,000
Sub-total	**---**	**---**	**---**	**$140,000**
Utilities				
Well, Septic, Power	---	---	---	**$200,000**
Total	**---**	**---**	**---**	**$3,099,000**

Note: These costs will be refined once a site plan is established and we have a better understanding for the extent of the building rehabilitation necessary and the scale of outdoor amenities and visitor infrastructure.

Source: Chamberlain Architects; Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[BufPeaks_Costs.xls]Summary

Tables 18a and **18b** summarize the estimated operating expenses at Buffalo Peaks Ranch, as well as the levels of visitation and revenue required to cover operating and maintenance costs.

Table 18a
Operating & Maintenance Expenses
Park County Heritage Site Planning

	Factor	Amount
Operations & Maintenance		
Utilities [1]		$1,250
Maintenance Reserve [2]	2%	$61,980
Subtotal		**$63,230**
Administration		
Staff	FTE	4
Staff Salaries / Benefits		$204,000
Housekeeping [3]	8	$12,160
Subtotal		**$216,160**
Total Operating Expenses		**$279,390**

[1] Note: Based on a season that last from beginning of May through end of September.

[2] Note: Based on capital investment.

[3] Note: Assumes cleaning every day during season for 8 hours at $10/hour.

Source: Chamberlain Architects; Economic & Planning Systems

Table 18b evaluates the economic feasibility of the RMLL concept by analyzing four different management scenarios. These scenarios vary with regard to the number of RMLL workshops and the degree of public use of the ranch's lodging and dining facilities. The following are key assumptions used in the feasibility analysis:

1) The number of workshops is estimated for a 22-week season at generally three workshops per week. While the season could be longer and RMLL could operate on a year-round basis, the number of workshops projected for Scenarios A, B and C are ambitious and RMLL is not likely to exceed the estimated number of workshops even if it was open 8-10 months during its first few seasons of operation.
2) The workshops have 75 percent occupancy.
3) 50 percent of the workshop fees ($150 for a 2-day workshop) is calculated as revenue.
4) $5 of each $30 meal fee counts toward revenue.
5) The lodging/bed night numbers assume that RMLL will offer the following lodging units: 3 one-bedroom cabins ($100/night), 3 two-bedroom cabins ($150/night), and 20 bunkhouse beds ($25/night). This conservatively would provide 29 beds. The combined average fee for these different bed types ($60/night) was assumed in the calculation of total lodging revenues.

The analysis shows that combined RMLL and public use will be necessary to maintain an economically sustainable operation at the ranch. Even with an aggressive programming schedule (45 workshops per year) and relatively high occupancy (60%) of the researcher/resident bunkhouse throughout the 182-week season, Scenario B shows that RMLL bookings alone are not sufficient to cover costs. This Scenario would require over $50,000 (20% of O&M costs) in outside funding to cover costs.

In contrast, Scenario C combines a more modest number of RMLL workshops (20), with public use of the facilities during un-programmed periods (approximately 142 days of the season). In this scenario, revenues slightly exceed operating costs and a modest profit is therefore possible. Under this operational scenario it is assumed that RMLL would know at the beginning of each season which dates the ranch would be booked for workshops and research purposes, so that facilities could otherwise be marketed to increase annual use, occupancy and revenue.

The analysis demonstrates that RMLL use alone (Scenarios A and B) or public use alone (Scenario D) are not profitable, but that a combination of the two (Scenario C) is the best approach for developing an economically viable operation at Buffalo Peaks Ranch. Based on Scenario C, it appears that the facilities at Buffalo Peaks Ranch should be available 75% of the season for public use and 25% of the season for RMLL use, in order to create a self-sustaining venture.

Furthermore, the addition of complementary retail and/or rental space could greatly enhance long-term viability of the entire facility. However, it is beyond the scope of this study to evaluate the economics of such ancillary business ventures at the Buffalo Peaks Ranch.

Table 18b
Scenario Comparison and Financial Feasibility
Park County Heritage Site Planning

	Factor	Amount Scenario A *Minimum Projected RMLL Use*	Scenario B *Maximum Projected RMLL Use*	Scenario C *Combined RMLL and Public Use*	Scenario D [9] *Public Use Only*
Season (26 wks, May - Oct)					
Days		182	182	182	182
RMLL Workshop Capacity	2 days	20	45	20	0
RMLL Workshop Revenue					
Assumptions					
Workshop Lodging Capacity [1]	29	1,160	2,610	1,160	
Occupied Bed Nights	70%	812	1,827	812	
Number of Workshops		20	45	20	
Fee / Person [2]	2 days	$75	$75	$75	
Avg Lodging Rate [3]	night	$60	$60	$60	
Revenues (at 75% workshop occupancy)					
Revenue from Workshop Fee		$30,450	$68,513	$30,450	
Revenue from Workshop Lodging		$48,720	$109,620	$48,720	
Meals [4]	$5	$4,060	$9,135	$4,060	
Workshop Revenue		**$83,230**	**$187,268**	**$83,230**	**$0**
Researchers and Residents					
Assumptions					
Bunkhouse Capacity (Bed Nights -)	16	2,912	2,912	2,912	
Occupied Bed Nights	60%	1,747	1,747	1,747	
Revenues					
Researcher Weekly Use Fee (16 wk field season)	$70	$10,752	$10,752	$10,752	
Researcher Weekly Lodging (16 wk field season)	$70	$10,752	$10,752	$10,752	
Meals	$5	$8,736	$8,736	$8,736	
Residencies [5]		$8,000	$8,000	$8,000	
Researcher/Residents Revenue		**$38,240**	**$38,240**	**$38,240**	**$0**
Public Heritage Tourism Use (lodging, meals, events)					
Assumptions					
Public Lodging Capacity [6]	29	0	0	4,118	5,075
Occupied Bed Nights	60%	0	0	2,471	3,045
Occupied Researcher Bunkhouse (16 beds)	60%	0	0	0	1,498
Avg Lodging Rate				$60	$60
Revenues (at 60% lodging occupancy)					
Revenue from Public Lodging		$0	$0	$148,248	$182,700
Revenue from Public Use of Researcher Bunkhouse	$25	$0	$0	$0	$37,440
Meals	$5	$0	$0	$12,354	$0
Events (wedding, retreats, conferences) [7]		$0	$0	$15,000	$15,000
Public Heritage Tourism Revenue		**$0**	**$0**	**$160,602**	**$220,140**
Projected Annual Revenue		**$121,470**	**$225,508**	**$282,072**	**$220,140**
FINANCIAL FEASIBILITY					
Annual Revenue		$121,470	$225,508	$282,072	$220,140
Total Operating Expenses		$279,390	$279,390	$279,390	$279,390
Annual Net Cash Flow		**($157,920)**	**($53,883)**	**$2,682**	**($59,250)**
Contributions Necessary to Cover O&M Costs [8]		$157,920	$53,883	none	$74,910
Contributions (as % of O&M)		57%	19%		21%

[1] Assumes occupancy of all cabins and one bunkhouses and assumes 2 night stays for the workshops. The 16-bed bunkhouse is set aside for researchers.

2] Assumes $150 / workshop / person, less 50% to cover the cost of providing the service.

[3] Averages cost of all beds - 3 1-bedroom cabins at $100/night, 3 2-bdrm cabins at $150/night and 20 bunkhouse beds at $25/night

[4] Assumes $30 / day / person, less $25 / day / person to cover the cost of providing the service.

[5] Assumes off-season residencies by artists, writers, or other RMLL guests. Estimate is based on 4 month-long residences at $2000/each ($500/wk for lodging and food).

[6] Assumes that during the 26 wk season (182 days) lodging at BPR would be available to the public 142 days (less the 20 2-day workshops). This accounts for all lodging except the 16 beds in the researchers bunkhouse.

[7] Assumes 3 large events a year for $5000 each. Events include accommodations for up to 29 people (1 night), all meals for guests (excluding alcoholic beverages), and use of the facilities.

[8] This includes contributions of any sort: e.g. gifts, grants, etc.

[9] For comparison sake, this scenario assumes the RMLL is unable to book any workshops or researchers and therefore relies on public use only to generate revenue and offset costs. This scenario assumes that lodging at BPR is available to the public 175 days out of the 182 day season. Additionally, this scenario assumes that 16 more $25 beds are available for rent throughout the season since the researcher and residency program is not yet up and running.

Source: Chamberlain Architects; Economic & Planning Systems; Shapins Belt Collins

The tables presented above account for revenue generated solely from workshop fees, events, user fees, lodging and meals. The RMLL concept, however, could be designed as a business model to generate additional sources of revenue from the outset. Below is a list of additional revenue sources that Park County and founders of the RMLL have proposed:

- *Retail operation(s) and/or guide service.* The RMLL could operate a small café, bookstore and retail shop (e.g. maps, fishing tackle, etc). Additionally, Buffalo Peaks Ranch is an attractive location for a fly-fishing shop that could rent retail space from the RMLL.

- *Partnerships and expanded use of the ranch.* A number of organizations have expressed interest in using the facilities at Buffalo Peaks Ranch, including the South Park Archaeology Project (SPAP), Colorado Division of Wildlife (CDOW) and Colorado Open Lands (COL). The RMLL campus could host CDOW's popular River Watch and Project Wet programs and/or a regional office for COL and the SPAP. Representatives from CSU have also expressed interest in the ranch's research, field station, and interpretive services potential. In addition to user fees, these programs and partners would expose more visitors to the ranch, thereby increasing its occupancy rates.

Recommendations

The location of Buffalo Peaks Ranch does not make it the strongest National Heritage Area visitor center site alternative. Traffic counts on Highway 9 that bisects the ranch are significantly lower than counts along Highway 285 that passes by the Como Roundhouse and Salt Works Ranch. This site is better suited for adaptive and interpretative heritage tourism facilities. On the other hand, the RMLL collection of western literature would add a very unique and attractive element to the South Park National Heritage Area visitor center.

Success of the RMLL depends on the addition of a field research station and supplemental income from heritage tourism use. The RMLL concept alone will not generate sufficient visitation or revenue to sustain operations. The addition of a field research station presents opportunities to secure grants, endowments, and institutional funding that otherwise would not be available to the site. Therefore, ranch re-use should include facilities for both the library and research, including laboratory space. The ultimate success of both the RMLL and field station will depend on strong partnerships with academic organizations such as Skidmore College and Colorado State University, historic societies, and other like-minded organizations. The RMLL and field research station would provide content for the adaptive and interpretative facilitates, thereby enhancing heritage tourism and experiential education opportunities.

Designing and developing the site for heritage tourism purposes from the onset greatly increases the site's long-term potential for success, as demonstrated by comparable facilities such as May Farms and Devil's Thumb Ranch. Like these two operations, the Buffalo Peaks Ranch is well positioned to draw considerable visitation from a variety of Front Range markets, including both Denver and Colorado Springs. Use of the lodging, meeting and dining facilities by heritage travelers will be essential to augmenting revenues whenever the ranch is not otherwise booked for the RMLL's programs and purposes. The significant level of infrastructure required by RMLL should also be

employed to attract anglers, bird watchers, history buffs, international travelers, school groups, corporate planners, Front Range residents and others looking for an intimate and educational ranch facility.

SALT WORKS RANCH



Salt Works Complex in the distance



Main ranch house



Salt Works kettle house and drying house



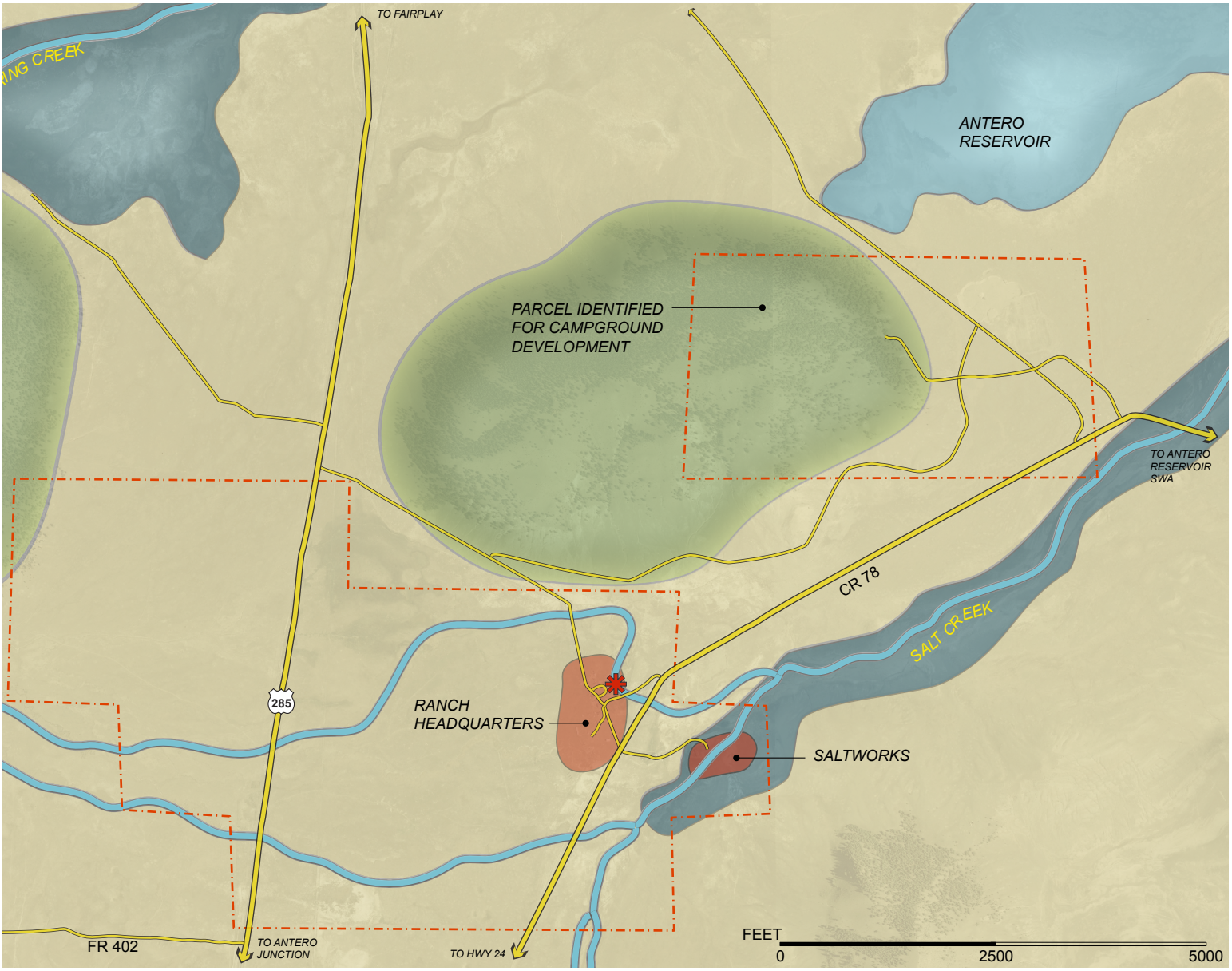
View to Salt Works Complex from ranch house

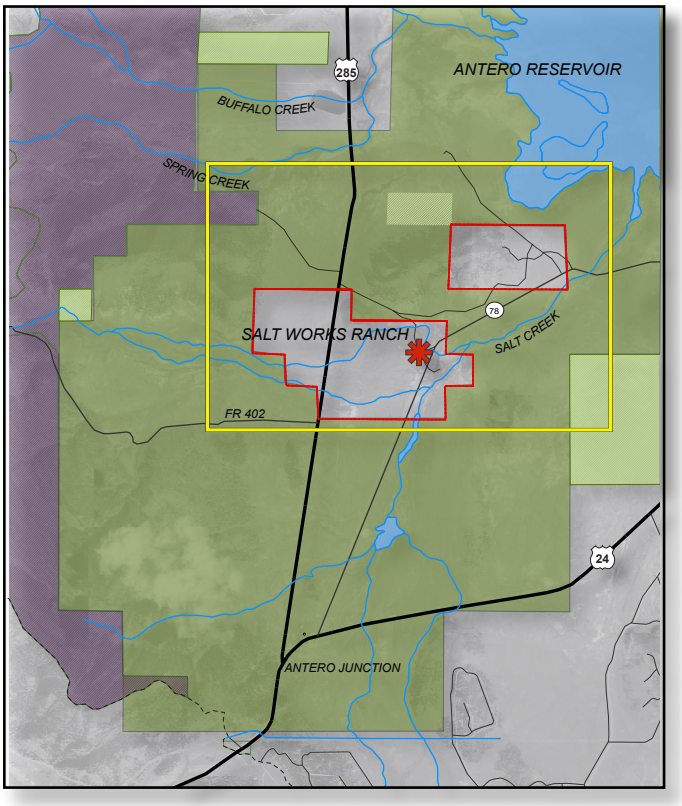


Salt Works barn



Gathering area at ranch headquarters





- Grassland
- Ponderosa Pine
- Wetland
- Salt Works Ranch Boundary
- Roadway
- Main House at Ranch Headquarters

CONTEXT & SITE MAPS

SALT WORKS RANCH

Homesteaded by Charles and Mary Hall in 1862, the 1,200-acre Salt Works Ranch has been in the same family for seven generations. The Salt Works Ranch was designated as a Colorado Centennial Ranch by the Colorado Historical Society, having been operated continuously by one family for almost 150 years. Both the Colorado Salt Works and the Salt Works Ranch are listed on the National Historic Register.

This analysis focuses primarily on the Colorado Salt Works structures that are situated in a 100-acre pasture adjacent to the Salt Works Ranch headquarters complex. The intact wood frame barn, drying house, and the partially collapsed kettle house of the historic (1862-1870) salt works operation serve as visual reminders of one of Colorado's earliest industrial enterprises. This operation was strategically sited on a salt spring that gave rise to South Park's original name: Bayou Salado (salt marsh). Preliminary research indicates it may well be the only surviving example of a 1860s kettle and pan salt production facility in North America.

While the setting of the Salt Works facility retains high historic integrity, the buildings are in disrepair and in need of substantial rehabilitation in order to become visitor ready and accommodate heritage tourism markets.

This study focuses on the ranch owners' proposal to rehabilitate the Salt Works structures to house a not-for-profit "Western Heritage Center," that would develop and host cultural heritage programs and events on the property.

Zoning/Easement/Development Restrictions

Most of the ranch, homestead, and Salt Works are subject to a perpetual conservation easement that limits the type and amount of new development. The Colorado Cattlemen's Agricultural Land Trust, in partnership with Colorado Open Lands, holds a conservation easement for the Salt Works Ranch. The easement protects the conservation values of the ranch, including over 400 acres of irrigated hay meadow with senior water rights from Salt Creek, a highly scenic valley and wildlife area.

The ranch includes a discontiguous parcel of land (approximately 320 acres) adjacent to Antero Reservoir. Unlike the rest of the property, this parcel is not restricted by a conservation easement and the development capacity of this parcel is not limited. The ranch owners have proposed developing additional cabins or a lodge on this site to accommodate benefactors of the Western Heritage Center. Use of these facilities could be marketed as an added incentive for supporting the non-profit entity.

The Salt Works Ranch is currently zoned as agricultural. The owner's development proposal for the site could be implemented while retaining the existing agricultural zoning status. The Western Heritage Center would be considered a conference and retreat facility and would be permitted as a conditional use within the agricultural zone. A conference and retreat facility is defined in the Park County Zoning Regulations as follows:

A conference and retreat facility is a permanent commercial use offering organized recreational, meeting, conference, and temporary overnight accommodations for groups of people. A conference and retreat facility customarily includes a central meeting facility, some level of communal food services, temporary overnight accommodations similar to a hotel or motel, and

services customarily offered by both an outdoor recreation facility and an indoor recreational facility.

Proposed Development Program

The ranch owners would like to restore and adaptively re-use the Colorado Salt Works to house the Western Heritage Center. Rehabilitation may include development of conference and meeting rooms; workshops, classrooms and art studios; lodging; a kitchen and dining facility; and offices. The Western Heritage Center at the Colorado Salt Works could provide a venue for seminars, art exhibitions, research/artist residencies, and programs emphasizing western history and culture. The Salt Works and surrounding open pasture are also well suited for large-scale western cultural events including western music, arts and film festivals.[6] Large events proposed by the owners include the Rocky Mountain High Altitude Chuckwagon Cook-off, the Bayou Salado Western Arts and Collectibles Show, Sale and Auction, and a Festival of the Rocky Mountain Indian/Trapper Rendezvous. For these large events, high peak frame tents could be set up to provide additional accommodations. Smaller special events held at the Salt Works could include weddings, a western speaker series, and even an Antoinette Perry Society Awards Barbeque Luncheon. The ranch boasts an incredibly scenic location as well as remarkable stories and deep ties to western history and Broadway Theater that will entice visitors and enrich their stay.

The proposed venture would be operated by the non-profit, which the ranch owners intend to establish soon. The Western Heritage Center would manage fund-raising, operations, scheduling, and maintenance. The draft mission of Western Heritage Center is *"to provide and maintain a historic setting for, and to assist in the preservation and interpretation of, the culture and heritage of the Rocky Mountain West for the benefit and enrichment of our state, our nation and mankind."*

The proposed development would take place within and around the Salt Works facility and would not impinge on the ranch headquarters area. The owners have expressed concern about the impacts that public use of the Salt Works site may have on the existing ranch headquarters complex. The family would like to keep the homestead, barn, corrals, and nearby cabins for private use. Limited and highly managed use of the main ranch headquarters by guests of the non-profit entity will be accommodated.

The proposed development program for establishment of the Western Heritage Center at the Colorado Salt Works may include some or all of the following elements:

- **Lodging –** The existing conservation easement allows up to nine residential cabins. The owners plan to move, set and restore historic cabins from around Park County on the ranch. Essentially, the Salt Works can become a repository for historic cabins that otherwise would be demolished in the wake of new development at other sites around Park County. The relocated cabins will be carefully sited to avoid jeopardizing the property's National Register designation, and lovingly restored to provide simple but comfortable accommodations.

- **Rehabilitated Salt Works –** The restored Salt Works building complex will house a commercial kitchen and dining area; conference/meeting space; classrooms, workshops and art studios; exhibition space; and offices for the non-profit.

---

[6] The Rural Route Film Festival (www.ruralroutefilms.com) would be an excellent fit for the Western Heritage Center. Films could be displayed within or on the side of a barn.

- **Outdoor Amenities –** The site lends itself to a number of thematic interpretive exhibits, a large fire pit, and a flexible outdoor gathering space. It will be important that these amenities complement the Salt Work's ranching and cultural landscape.

- **Caretaker Residence –** This project may necessitate the construction of a new caretaker's residence. However, this project element should only be considered after other proposed activities at the site have become well-established. Alternatively, one of the cabins could be modified to serve as the caretaker's residence.

- **Main Ranch Headquarters –** This scenario *does not* propose any additional development within the ranch headquarters area, and assumes that the Western Heritage Center and the Salt Work Ranch will operate as separate entities with occasional overlap. It is possible that the bunkhouses and perhaps the main ranch house could be used by guests of the non-profit, but only on a very limited and highly managed basis. Additionally, the non-profit may offer guided tours of the ranch headquarters area as part of its interpretive programming.

Visitation Estimates

The Salt Works development program is similar to the Anderson Ranch in Snowmass, Colorado (see the description of Anderson in Chapter III, Comparable Facilities). Like Salt Works, Anderson Ranch is a historic Rocky Mountain ranch. Although Anderson Ranch is centered on the arts and offers workshops, residencies, and internships for emerging and established artists, it presents a model that can be expanded to include the celebration and communication of South Park's western heritage. Like Anderson Ranch, the Salt Works Western Heritage Center could offer workshops, events, auctions, lectures, and residencies. Anderson Ranch provides over 100 workshops, classes, and special events each year. These activities attract over 5,000 people annually to the Ranch. Visitation at the Salt Works will depend on the array of classes and workshops offered as well as the type and level of marketing efforts. However, after the Western Heritage Center has become established, it could expect a similar level of visitation. Large special events such as art and music festivals, chuck wagon cook-offs, and other western heritage events will likely draw an even greater audience.

Economic Considerations

Initially, both the Anderson Ranch and the Ucross Foundation in Wyoming relied on private donations and grants to raise the capital required for construction. Owners of the Salt Works Ranch plan on securing private donations from both individuals and foundations to begin funding this venture.

The greatest single expense aside from reconstruction of the facility (which will be funded through private fundraising efforts) will be staffing costs. The Anderson Ranch and the Ucross Foundation each employ between 20 and 30 full time staff, including a director, teachers, maintenance technicians, and individuals dedicated to fundraising. Initially some staff could be hired on an hourly basis; however, a core group of staff will need to be employed full-time from the beginning.

Comparable facilities charge between $30 and $45 per participant for day-long workshops, meetings and conferences. Fees increase for special programs, including field expeditions and/or over-night stays. A two-day workshop may range from $100 to

$300. Fees for week-long programs can range from $750 to $2,500. These fees typically cover approximately half (50%) of the annual operating expenses.

Ongoing operations and maintenance costs have not been estimated as part of this study for the proposed Salt Works' facilities. To develop such estimates, additional consideration must be given to how the managing organization will be structured, what specific programs and amenities will be offered at the site, how the facility will be operated (i.e. operating season), and what the design capacity will be for each program and facility. Once the owners and their partners answer these questions, comparable data used to evaluate other heritage sites in South Park can be extrapolated to the Colorado Salt Works.

For example, the preliminary design for Buffalo Peaks Ranch on Colorado Highway 9 near Garo entails the establishment of lodging, dining, utilities and meeting space for up to 30 people at one time. A successful operation at Buffalo Peaks Ranch assumes that all facilities will be available between May and September and that housekeeping and food services will be provided every day throughout the season. In this case, the total annual cost for administration, staffing, housekeeping, utilities and other operating expenses amounts to $279,390. Data from facilities such as the Buffalo Peaks and Santa Maria Ranches can be used to calculate "scaled" estimates for the Salt Works, once particulars for the later site are established.

Based on preliminary estimates, complete restoration of the facility will require $2.5 million, as shown in **Table 19.** The greatest expense will likely be restoration of the Kettle House, Chimney, and Drying House, which will account for approximately 60 percent of the total estimated cost.

Table 19
Salt Works Ranch Estimated Restoration Costs
Park County Heritage Site Planning

Facility	Qty	Unit	Cost / Unit	Total
Kettle House				
Kettle House & Chimney Restoration/Reconstrucion				$802,125
Adaptive Re-use	3555	s.f.	$75	$266,625
Subtotal				**$1,068,750**
Drying House				
Rehabilitation				$67,000
Adaptive Re-use	2200	s.f.	$150	$330,000
Commercial Kitchen	250	s.f.	$75	$18,750
Subtotal				**$415,750**
Barn				
Rehabilitation				$51,300
Adaptive Re-use	3000	s.f.	$150	$450,000
Subtotal				**$501,300**
Cabins (Relocation/Rehabilitation)	9	cabins	$10,000	$90,000
Caretaker House	1	cabin		$150,000
Outdoor Amenities				
Trails, Parking				$60,000
Outdoor Gathering Space (fire pit, seating, surfacing)				$25,000
Signage, Interpretive Facilities				$20,000
Subtotal				**$105,000**
Utilities (Well, Septic, Power)				**$150,000**
Total				**$2,480,800**

Source: Chamberlin Architects, Shapins Belt-Collins, Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-SaltWorksCosts.xls]Rest Costs

Recommendations

A successful Western Heritage Center at the Colorado Salt Works will greatly boost visitation to the region and other heritage sites in the study area. There are several hurdles to the development of a successful heritage center, however, aside from the capital funds required to restore the facility. These hurdles include procuring adequate staff for fundraising and event planning, as well as developing a successful marketing program to draw visitors and special interest groups to the facility. With that said, the owners seem confident in their ability to secure the private donations and investments necessary to finance structural restoration and to establish a successful non-profit entity.

While the comparable facility models demonstrate that outside contributions will likely be required to offset operations and maintenance of the venture, the Western Heritage Center and associated programs/events will have broad appeal among Front Range markets and beyond. It is estimated that by 2010, heritage tourism markets along the Front Range of Colorado represent 2.8 million potential trips annually to natural, historic and agricultural sites. If successfully developed and marketed, the Salt Works Western Heritage Center will become Park County's showcase heritage attraction, as well as a major asset to the proposed South Park National Heritage Area.

As the next strategic step, it is recommended that the owners begin engaging suitable partners and benefactors to help establish and guide the managing organization, prioritize facility development and program activities at the site, and determine how the facility will be operated. It is further recommended that the owners engage the Park County Tourism Office to apply data developed for other compatible sites to the Colorado Salt Works. The Tourism Office is well positioned to calculate "scaled" operational cost estimates for the Salt Works, once the owners and their partner(s) delineate the facility/program specifics.

PARIS MILL



Paris Mill looking north



Paris Mill from above - looking southeast



Paris mill looking northwest



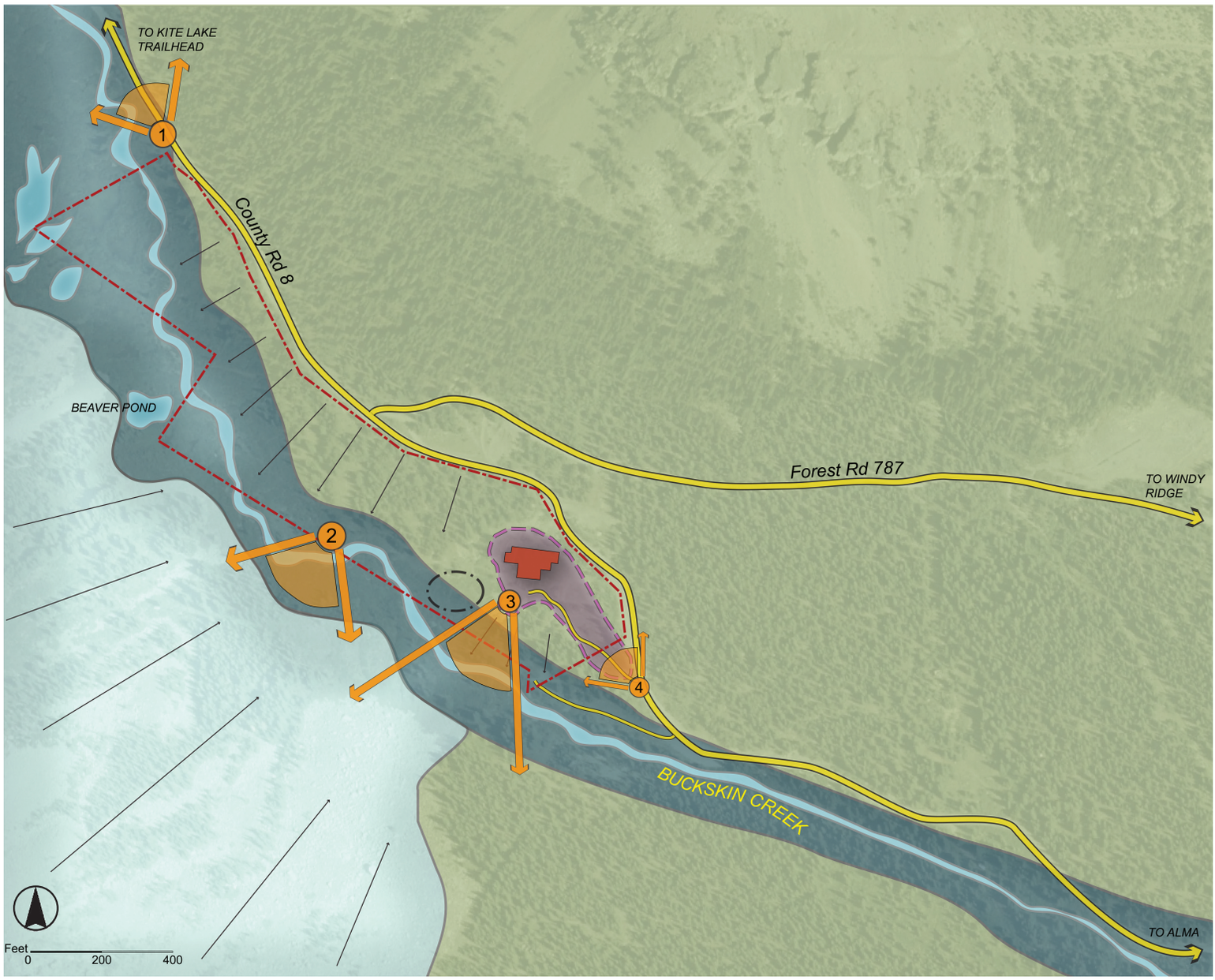
Interior view of machinery within the mill

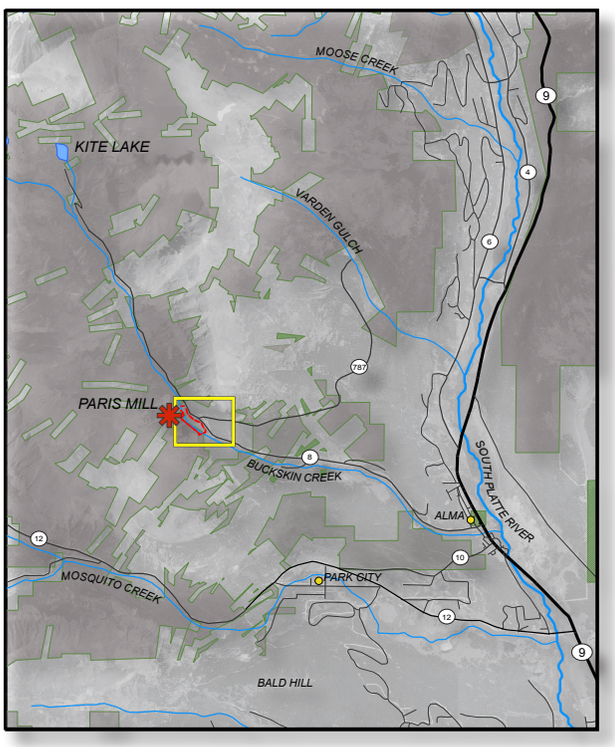


Tailings area east side of mill (needs remediation)



Stairs within the mill





- Wetland / Riparian Corridor
- Spruce-fir Forest, Bristlecone Woodland, Aspen
- Mixed Tundra
- Disturbed Area
- Paris Mill
- 1 Expansive Mountain Views along Road Corridor
- 2 Expansive Mountain Views
- 3 View to Mine Site on Mountain Side
- 4 View to Mill
- Roadway
- Paris Mill Site Boundary
- Steep Slopes
- Bench

CONTEXT & SITE MAPS

PARIS MILL

The 16-acre Paris Mill site is located about three miles above the Town of Alma along County Road 8, at an elevation of approximately 11,000 feet. The site contains the historic Paris Mill, which was constructed in 1894. During its prime, the mill was an important site for processing precious metals, including stamping and crushing gold ore that came from the nearby Hungry Five and Paris mines. Today, the structure is abandoned and deteriorating though many of the original stamps and machinery remain intact.

The Paris Mill property is currently owned by the Chiwawa Mining Company. Chiwawa owns about 900 additional acres adjacent to the mill site that is currently being marketed for residential development. The County has worked diligently with Chiwawa to secure a conservation easement on portions of the property that limits development to three small building envelopes. Colorado Open Lands holds the conservation easement and Park County currently maintains an option to purchase the mill site property from the mining company.

While the private mill site remains closed to the public, USFS lands adjacent to the site offer excellent recreation opportunities and currently experiences high use. The area is particularly attractive to hikers, climbers and backcountry skiers. At a junction in the County Road (CR 8) a few hundred yards above the mill, travelers can elect to continue west on CR 8 for 2.5 miles to the Kite Lake trailhead and campground, or venture north along County Road 787 to Windy Ridge where impressive stands of ancient bristlecone pines are found. The Kite Lake trailhead provides access to three 14,000-foot peaks (Mt. Bross, Mt. Democrat, Mt. Lincoln and Mt. Cameron). According to USFS figures for the 2007 season (May – October), 1090 people camped at Kite Lake and nearly 2500 day passes were purchased for vehicle parking. The Colorado Fourteeners Initiative reports that the average group size for Quandary Peak (a nearby 14er) is 2.85 people. If this same group size is assumed for the cars at Kite Lake, the trailhead likely saw 8,000 visitors in 2007 (this includes day and campsite use). A recent study predicted that 10,000 visits/per year is a reasonable estimate for the peaks of Democrat, Lincoln and Bross.[7] All of these visitors must drive by the Paris Mill site en route to the Kite Lake trailhead and campground. The surrounding area is also popular with mountain bikers, snowshoers, anglers and OHV users.

The Kite Lake campground offers approximately seven campsites. Illegal camping is common along the road and on private lands between the Mill and the trailhead during the summer months. As, many as 300 cars may be found at the kite Lake trailhead on any given Saturday during the summer. Trespassing and illegal camping is of concern to the Town of Alma since Buckskin Creek, which parallels the road for the entire length of the valley, is their sole source of municipal water.

Zoning/Easements/Development Restrictions

The Paris Mill Parcel is zoned for mining. Within that zone, few (if any) of the desired uses mentioned above would be permitted. Due to the diversity of potential uses, ranging from camping to a museum with a gift shop and restaurant, it is recommended that the site be rezoned to PUD. The process for rezoning generally takes a year, and

[7] Keske, Catherine M. and Loomis, John B. Regional Economic Contribution and Net Economic Values of Opening Access to Three Colorado Fourteeners, Department of Agriculture and Resource Economics, Colorado State University, 2007.

includes sketch plan, preliminary and final submittals, and approval through the Park County planning department and county commissioners.

Colorado Open Lands holds an easement on the Paris Patent Group, which includes the Paris Mill (Deed of Conservation Easement Paris Patent Group, 2006). They also have an easement on the Gold Star Group that includes lands directly downstream from the Paris Mill. The purposes set forth in both easements are to:

- Preserve land for outdoor recreation and for the education of the general public;
- Protect relatively natural habitat for fish, wildlife or plants;
- Preserve open space (scenic enjoyment of the public);
- Preserve historically important property and structures.

The intent of the Paris Patent Group easement is to permit all other uses on the property that are not inconsistent with the preservation and protection of the sites' conservation values. The easement specifically outlines what construction or reconstruction is permitted on the Paris Mill parcel. These specifications are outlined below:

- **Paris Mill:** The demolition, destruction, or substantial modification of the exterior architectural features of the Paris Mill that would render the structure ineligible for listing, or disqualify the structure from recognition, in the National Register of Historic Places in prohibited. Maintenance and repair of the Paris Mill is permitted. In the event of the destruction of the Paris Mill, the structure may be replaced with a structure of similar size and appearance.

- **Paris Mill Parcel:** The easement permits the construction of structures to support the historic interpretation of the Paris Mill and the education of the general public, or to aid in the adaptive reuse of the structure for commercial purposes, or in support of limited public recreation (4B, pg 5; 5D, pg. 9). *(Note: The proposed development which includes interpretative facilities, picnic area, campground and cabins would be permissible. Although the cabins may push the bounds of "limited public recreation, they will generate revenue and visitation which will "aid in the adaptive reuse" of the structure for commercial purposes. Future commercial use of the mill whether it is a museum, conference space or a lodge will all benefit from onsite year-round lodging.)*

- **Paris and Gold Star Building Areas (Residential Building Envelopes & Residential Improvements):** Within the Paris Patent Group (north of the Paris Mill Parcel), the grantor reserves the right to identify one five-acre building envelope within the designated "building area." Within Gold Star Patent Group, the grantor reserves the right to identify two five-acre building envelopes within the designated "building area". The residential building envelope shall be rectangular in shape, with the length of the shortest side not less than 25% of the length of the longest side. This building area, located outside of the 16 acre Paris Mill parcel has been selected to minimize impacts to the conservation values of the property. A new single-family residential complex, not to exceed 8000 sq feet, may be constructed within these building envelopes (4B, pg 6). *(Note: Expanding the Mill tourism development to include facilities on these nearby parcels would be challenging. While development of a campground in one or several of the building envelopes would most likely be acceptable, cabins or a lodge would not be permissible as the easement is currently written. An amendment to the easement to allow these types of*

uses would require an approval from Great Outdoors Colorado. Since the landowners did not take advantage of a tax credit or federal deduction, the easement may be easier to amend than a deductible conservation easement.)

The following prohibited acts and uses are outlined in the conservation easement. These acts, in particular, were extracted from the easement since they may affect site planning for the Paris Mill site.

- The demolition, destruction, or substantial modification of the exterior architectural features of the Paris Mill that would render it ineligible for listing in the National Register of Historic Places. However, if the Paris Mill is determined to be structurally unsound through a structural assessment produced by a certified structural engineer, the landowner may request approval to demolish the structure. *(Note: The Structural Report by Martin and Martin on July 7, 2007, completed as part of this project and included later in this chapter, found that significant stabilization, repair and reconstruction work should be undertaken at the Paris Mill in order to ensure its preservation.)*

- The exploration, development, mining or extraction of minerals, coal, peat, sand, gravel, rock or soil is prohibited. *(Note: Since the easement protects conservation values of the site and prohibits mining, recreational dredging, high banking, or exterior gold panning, a recreational mining venture proposed by the Paris Mill Mining Company would be prohibited.)*

- Use of the Paris Mill for residential purposes is expressly prohibited.

Environmental Investigations

The Colorado Brownfields Foundation has contributed to this analysis of the Paris Mill site by conducting an environmental investigation on the property[8]. Their assessment included site screenings, samplings, and the quantification of potential issues. Phase I and Phase II environmental investigations were completed and the analysis showed detections in surface soil, subsurface soil and indoor soils of cadmium, iron, lead, manganese, mercury, silver, and zinc above one or more of the Colorado Department of Public Health and Environment (CDPHE) Soil Remediation Objectives. While there were no detections of metals greater than drinking water maximum contaminant levels (MCL) in any groundwater samples, surface water samples from Buckskin Creek show results greater than the drinking water MCL for zinc. The mill is not the source of the zinc, but rather a naturally occurring upstream source is present in the watershed. Stream sediment data which revealed concentrations of arsenic, cadmium, chromium, manganese, mercury and zinc all above one of the EPA's hazard ranking system (HRS) screening levels indicated that source areas on site need to be addressed to minimize intermittent runoff to Buckskin Creek.

According to the Brownfields Assessment, remediation and reclamation options for the Paris Mill Site should include surface water run-on and run-off controls to minimize the amount of surface water infiltrating into the site tailings and/or waste rock. Dikes, ditches, and site grading can all be used to control surface water and direct it away from the contaminated areas. Site capping or another barrier that prevents site-related contaminants from being accessible to site users or workers should also be incorporated in development of the site.

In follow-up discussions with Park County, the Environmental Protection Specialist with the CHPHE who authored the report (Mark Rudolph) recommends the following remediation measures:

- Prior to site disturbance, install temporary drainage containment structures.
- Pouring a concrete pad over the entire tailings area would be the most effective way to permanently cap the tailings (i.e. prevent heavy metals from becoming mobilized). The concrete pad could then be used for parking or for visitor facilities (picnic, interpretive signage, etc.).
- Remove contaminated soils from inside the mill. These soils could be used as fill material to prepare a level site for the concrete pad. The mill's interior (floor and timbers) may also need to be power-washed to remove residual contaminants (metals).
- Install site grading and drainage structures to carry surface water away from the tailings area (rather than through it).

Subsequently, the Brownfields Foundation retained an environmental engineer to provide a general cost estimate for the scope of reclamation work that will be required before the mill site is safe for public use. Their estimate was based solely on information

[8] Colorado Department of Public Health and Environment Hazardous Materials and Waste Management Division, *Targeted Brownfields Assessment – Analytical Results Report,* Paris Mill Heritage Site, Alma, CO, 2007. This report is summarized here and has been submitted separately to Park County and the town of Alma.

provided in the *Targeted Brownfields Assessment for the Paris Mill Heritage Site,* prepared by the Colorado Department of Public Health and Environment.

Since a redevelopment plan had not been prepared for the site prior to the Brownfields' assessment, a theoretical scope of work was established as a basis for estimating costs. It was developed only for cost estimating purposes and may not reflect the actual scope of work required to satisfactorily address reclamation of the site. Many of the nine key assumptions made for this scope of work may change once a site evaluation and conceptual design are completed.

Based on the assumed scope of work and quantities, the cost to address contaminated soils surrounding the mill is estimated at $100,000. Further, the cost for the assumed scope of work with a vegetative cover was estimated at $190,000.

The interior of the mill building also needs to be addressed before the public can access the site. The scope of work for the Mill interior was therefore estimated separately. No measurements of the building were provided, so the quantities utilized are based only on the building footprint and a visual estimate of areas in the building interior.

Based on the assumed scope of work and quantities, the cost to remediate interior contamination is estimated at $50,000. If the future owner(s) choose not to utilize the building, some measures to address the building condition and the contaminated soil within the building will still be necessary before allowing public access to the site.

Some specific factors heavily influence the cost estimate and could change the projected costs significantly. These factors include the following:

1. Cost savings may be achieved by integrating reclamation requirements with future development. Redevelopment plans for site grading, landscaping, and parking areas should be incorporated into the reclamation design. Activities such as site grading and re-vegetation need to be considered as part of the reclamation scope of work. Completion of these tasks could substantially reduce redevelopment costs.

2. For the Alternative 1 Cap, the cost of importing gravel from off-site constitutes approximately 40 percent of the total cost. For the Alternative 2 Cap, the cost to import gravel and soil is approximately 54 percent of the total cost. These costs can vary significantly depending on the timing of the project and available sources of material.

3. The volume of soil to be removed and consolidated and the area of the tailings impoundment requiring a protective cap directly impact the cost. Additional assessment and site evaluation would help to better quantify these volumes.

4. Any additional site information obtained, including future development plans for the entire site, will likely affect the actual scope of work.

5. A thorough evaluation of the interior of the mill building is needed to get a better perspective on costs. Assumptions were made regarding the square footage of the building and exposed soil.

6. The future development plans for the building and the methods selected to perform the interior cleanup will be a significant factor.

7. The proposed phasing of the project and market conditions at the time the project is bid will also have an influence.

To gain a better understanding of the potential costs for the reclamation project, it is recommended that a site evaluation be conducted once weather permits, and that the reclamation approach be integrated with the conceptual design for the site.

Since the Paris Mill property is now an identified Brownfields Program site, it is highly probable that a program grant can be secured to cover most of the recommended reclamation costs. At the same time, it is doubtful that the site will be certified for public use by Park County unless/until the recommended reclamation work is successfully completed.

Proposed Development Program

Preservation of this site is crucial to the collection of significant sites representative of the proposed South Park National Heritage Area. Current plans for the site involve repairing many of the glaring structural problems, such as missing sections of exterior walls and the roof, as well as installing safety features such as guard-rails and adequate lighting. The intent is to allow tours of the building and provide interpretative opportunities in and around the site.

During the evaluation of the adaptive re-use potential for the Paris Mill Site, a number of proposed uses for the Paris Mill were identified. Park County has elected to adopt a phased development approach. This financial and feasibility analysis focuses on the initial proposed development phase as outlined below. Proposals for Phase 2 of the Mill site development, which involve adaptive re-use of the structure, are also discussed below.

Phase 1
The initial phase of development should involve stabilization of the Paris Mill in order to ensure its preservation and make it safe for public use. Development of a campground and rentals cabins on the site as well as day-use amenities and interpretive facilities could also be part of Phase 1. The development of infrastructure at the Mill site will establish the Paris Mill as a destination as well as base camp from which visitors can explore the area's recreational and natural resources.

The Mill property encompasses three to eight acres of developable "upland" outside of the riparian corridor along Buckskin Creek and the Mill's footprint. For the campground development option, we have assumed a primitive campground (no hook-ups) that would provide a relatively natural and dispersed camping experience. A cluster of five cabins is also assumed in this development scenario. The cabins would be winterized and available during the winter to serve back-country skiers and other winter enthusiasts. For the purpose of this analysis, we have assumed that one of the cabins would be used by a caretaker or volunteer host and the other four cabins would be rented.

Exhibit panels should be included in this initial phase of development so that the Mill and the area's mining heritage can be interpreted prior to opening re-using the structure. Interpretive exhibits and campground development could be complemented by other visitor amenities such as a picnic shelter where visitors can stop to enjoy the scenic setting and remarkable Mill structure.

The Town of Alma has expressed interest in using the Mill to meet some of its needs and these uses are compatible with the proposed development in Phase 1. For example, the stabilized mill could serve as an emergency base station to support search and rescue teams and/or a Town Reserve and Emergency Storage Facility.

Phase 2
While Phase 1 would be oriented toward site development, the second phase of development could focus on adaptive-reuse of the Paris Mill. Implementation of Phase 2 could also be implemented simultaneously with Phase 1, depending on the interest among private partners, and outside sources of funding to offset the extensive rehabilitation costs. At this point, two individuals have expressed interest in developing ventures at the Mill. Their proposed developments are outlined below:

- **Paris Mill Mining Company.** Chad Watkins, a recreational prospector and Colorado mining history enthusiast, has submitted a proposal to restore the mill and develop the site into a heritage tourism attraction. The restored mill would be partially operational and offer visitors an understanding of the functions of the milling equipment as well as opportunities to engage in recreational mining. Under Mr. Watkins proposed use scenario, the mill would be open to guided tours and would feature a prospecting supply store and gift shop to serve recreational prospectors and other visitors. Chad has also proposed the development of panning or other recreational mining opportunities onsite as well as camping and tent cabins. In addition to Mill tours, this development may also include programming, entertainment and complementary recreational experiences such as jeep tours, horse and burro rides, guided fishing and trail hikes.

- **Paris Mill Preservation and Rehabilitation.** In a letter to the Alma Foundation dated September 3, 2007, structural engineer Alex Charvat expressed interest in partnering with the County and others to preserve the Mill. Charvat owns a structural engineering firm that specializes in log and timber frame structures. With funding assistance from grants and other partners, Charvat's firm (Alexander Structures) would rehabilitate the structure. Charvat is interested in converting the Mill into a high-end lodge that would provide unique accommodations as well as a seasonal restaurant and bar.

Phase 3
Phase 3 could potentially involve the expansion of heritage tourism development onto other parcels in the vicinity. As outlined above in the Zoning/Easements/Development Restrictions section, however, the degree of such expansion is limited by the conservation easement and its development restrictions. If the County or its partners purchase one or more adjoining parcels, building envelopes within the Paris and Gold Star easements could be developed into a campground. The easement, as written, will *not* permit development of cabins and a lodge thereby minimizing the financial viability of expanded development on the Paris Mill parcel.

Visitation Estimates

Restoration of the Paris Mill would preserve an integral part of the area's heritage and serve the growing heritage tourism industry. This attraction holds the potential to attract 7,000 to 10,000 visitors per year based on a nine-month operating season. This

visitation estimate is supported by Keske and Loomis' study of the economic impacts of Mounts Democrat, Lincoln, and Bross which indicates that these fourteeners could draw up to 10,000 visitors annually. Additionally, 2007 USDA Forest Service visitor data indicate that approximately 2494 cars (7000 people) visit Kite Lake annually.[9] The steady stream of cars headed to the trailhead on summer weekends certainly provides an attractive market for development of additional visitor facilities in the Buckskin Creek valley.

According to the Forest Service, Kite Lake campground is currently at its maximum capacity during the months of July, August, and September. The USFS has expressed support for development of an additional campground in the vicinity that could accommodate the overflow from their Kite Lake facility. Accordingly, it is thought that up to 30 campsites and 5 cabins on the Paris Mill site would experience high occupancy rates during June, July, August, and September. Comparable campground facilities in the region charge between $12 and $20 per night. For the feasibility analysis, $20 per night was used since that is the nightly rate many private, destination campgrounds are typically charging.

Economic Considerations

Based on the fees assumed above, 30 campsites and 5 cabins situated on the Paris Mill site would generate over $94,000 in annual revenue as shown in **Table 20**. This revenue would be used to offset operations and maintenance cost associated with the campsite and cabin rental. It is unclear at this time how many acres the site will actually encompass, and therefore how many campsites are physically possible to construct. Thus, these estimates should be considered as the "best case scenario" from a revenue standpoint. The campground's projected operations, maintenance and staffing costs are shown in **Table 20a.**

[9] According to the Colorado Fourteeners Initiative, the average group size for Quandary Peak (a nearby 14er in Summit County) is 2.85.

Table 20
Paris Mill Campground Revenue
Park County Heritage Site Planning

Month	Nights	Occupancy	Sites	Cabins	Occupied Site Nights ($20/each)	Occupied Cabin Nights ($60/each)	Total
June	30	50%	30	4	450	60	$12,600
July	31	85%	30	4	791	105	$22,134
August	31	85%	30	4	791	105	$22,134
September	30	85%	30	4	765	102	$21,420
October	31	25%	30	4	233	31	$6,510
November	30	0%	30	4	0	0	$0
December	31	15%	0	4	0	19	$1,116
January	31	30%	0	4	0	37	$2,232
February	28	30%	0	4	0	34	$2,016
March	31	30%	0	4	0	37	$2,232
April	30	15%	0	4	0	18	$1,080
May	31	15%	0	4	0	19	$1,116
Total Annual Revenue	365		**180**	**48**	**3029**	**567**	**$94,590**

Only the cabins would available for winter use. One of the five cabins will serve as the caretaker residence. Also, it is assumed that the campground would not be open in November and May due to lack of snow and too much mud in these months.

Source: Shapins Belt Collins; Chamberlain Architects; Economic & Planning Systems

C:\Documents and Settings\mmather\Application Data\Microsoft\Excel\[ParisMill_Costs_rev091008 (version 1).xls]Revenue

Table 20a
Paris Mill Campground Operating Costs
Park County Heritage Site Planning

Operations & Maintenance		
Maintenance Reserves [1]	2%	$12,000
Utilites		$2,000
Vault Toilet Service		$25,000
Subtotal		**$39,000**
Staff	FTE	1.00
Staff Salary/Benefits		$37,500
Subtotal		**$37,500**
Total Operating Costs		**$76,500**

[1] Based on total capital investment less the costs of the toilets since their maintenance is covered under Vault Toilet Service

Source: Shapins Belt Collins; Chamberlain Architects; Economic & Planning Systems

C:\Documents and Settings\mmather\Application Data\Microsoft\Excel\[ParisMill_Costs_rev091008 (version 1).xls]Operating Costs

In order for Park County to certify the Paris Mill site for public use, hazardous materials remediation will need to be completed. Based on the assumed remediation scope of work outlined above, the cost to address contaminated soils surrounding the mill with a vegetative cover is estimated at $190,000. Another $50,000 will be required to remediate contaminated surfaces on the interior. The development of interpretive media, restrooms, picnic area and paths is estimated at $70,000, while stabilization of the structure will cost approximately $125,000.

Since the Paris Mill and tailings area have been identified by the EPA as a Brownfields Program site (http://epa.gov/brownfield), it is likely that a program grant can be secured to cover most of the recommended remediation costs. Similarly, Park County, in cooperation with other partners, plans to secure grants to offset the costs associated with mill stabilization and interpretation.

Future adaptive reuse of the Paris Mill building will require extensive capital investment. Estimated restoration costs range from $525,000 to $1.0 million for use as a museum and $1.25 to $1.75 million for use as a lodge.

This feasibility analysis does not consider all potential adaptive uses of the building and, instead, focuses on the feasibility of operating a campground on the Paris Mill site. Still the development cost associated with minimum public access and use of the Paris Mill and its surrounding property is estimated at $440,000 as shown in **Table 21**. As mentioned above, over half of this investment would entail remediation work which can hopefully be covered by grants. The Paris Mill campground development alone has been estimated to cost approximately $705,000 based on thirty sites and 5 rental cabins. **Table 21a** demonstrates that the projected revenue generated by the campground, assuming it meets the proposed occupancy rates, will cover costs and yield an annual net cash flow of approximately $13,000.

Table 21
Paris Mill Development Costs
Park County Heritage Site Planning

Facility	Qty Unit	Cost / Unit	Total
Paris Mill			
Remediation			$240,000
Stabilization			$125,000
Visitor Amenities (interpretive signage, restrooms, picnic area)			$70,000
Subtotal			**$440,000**
Campground Development			
Site Development[1]	30 Sites	$15,000	$450,000
Toilets[2]	5 Toilets	$15,000	$75,000
Cabins[3]	5 Cabins	$30,000	$150,000
Cabin Restroom	1 2 Seater	$30,000	$30,000
Subtotal			**$705,000**
Total			**$1,340,000**

[1] Includes Site Prep, spurs, roads, parking, fire ring, table, tent pad, site posts, signage, and pay tubes

[2] One per six sites; all sites will have access within 200 feet or less. Vaulted and sealed units.

[3] Simple, rustic, and winterized; collection of 1 and 2 bedrooms; includes site prep and cabin construction

Source: Chamberlin Architects, Shapins Belt-Collins, Economic & Planning Systems

H:\16899-Park County Heritage Project\Data\[16899-ParisMillCosts.xls]Rest Costs

Table 21a
Paris Mill Campground Feasibility
Park County Heritage Site

Operational Feasibility	
Annual Revenue	$94,590
Campground Operating Costs	$76,500
Mill Maintenance	$5,000
Annual Net Cash Flow	**$13,090**
Profit Margin	13.8%
Capital Costs	**$705,000**
Return on Investment	**2%**

Source: Shapins Belt Collins; Chamberlain Architects; Economic & Planning Systems

Recommendations

Successful redevelopment of the Paris Mill site will become an integral part of the proposed South Park National Heritage Area. Crucial to its success is preservation of the Mill and its machinery. Funding sources for the immediate stabilization and eventual restoration of the Mill structure should be the highest priority for this site. It is also important that the surrounding land be improved only for complementary uses such as a picnic shelter or campground, in order to protect the property and mill from other incompatible uses. However, any future public use of the Mill or tailings area will require environmental engineering and remediation that should be integrated into public facility design and development. Among the various adaptive uses considered for the appurtenant property, development of a highly managed, primitive campground is a suitable, economically promising, and cost effective option. Further, this option will require the least amount of environmental reclamation if campsites are sited and physically separated (fenced out) from the Paris Mill and tailings area.

It is important that land surrounding the mill be designed for complementary uses such as a campground or picnic area, in order to buffer the Mill from other incompatible development that may negatively impact its historic context.

Until it is determined how many acres will actually be acquired with the Mill and if a private interest such as Chad Watkins or Alex Charvat will ultimately own and manage the site, it is recommended that Park County limit its immediate investment and development plans to 1) stabilizing the Mill proper, 2) remediating hazardous materials to extent necessary for public use, and 3) simultaneously constructing a picnic shelter and interpretive exhibits.

SANTA MARIA RANCH



Santa Maria ranch house, barns and corrals



Middle fork of South Platte



Bunkhouse and outhouse



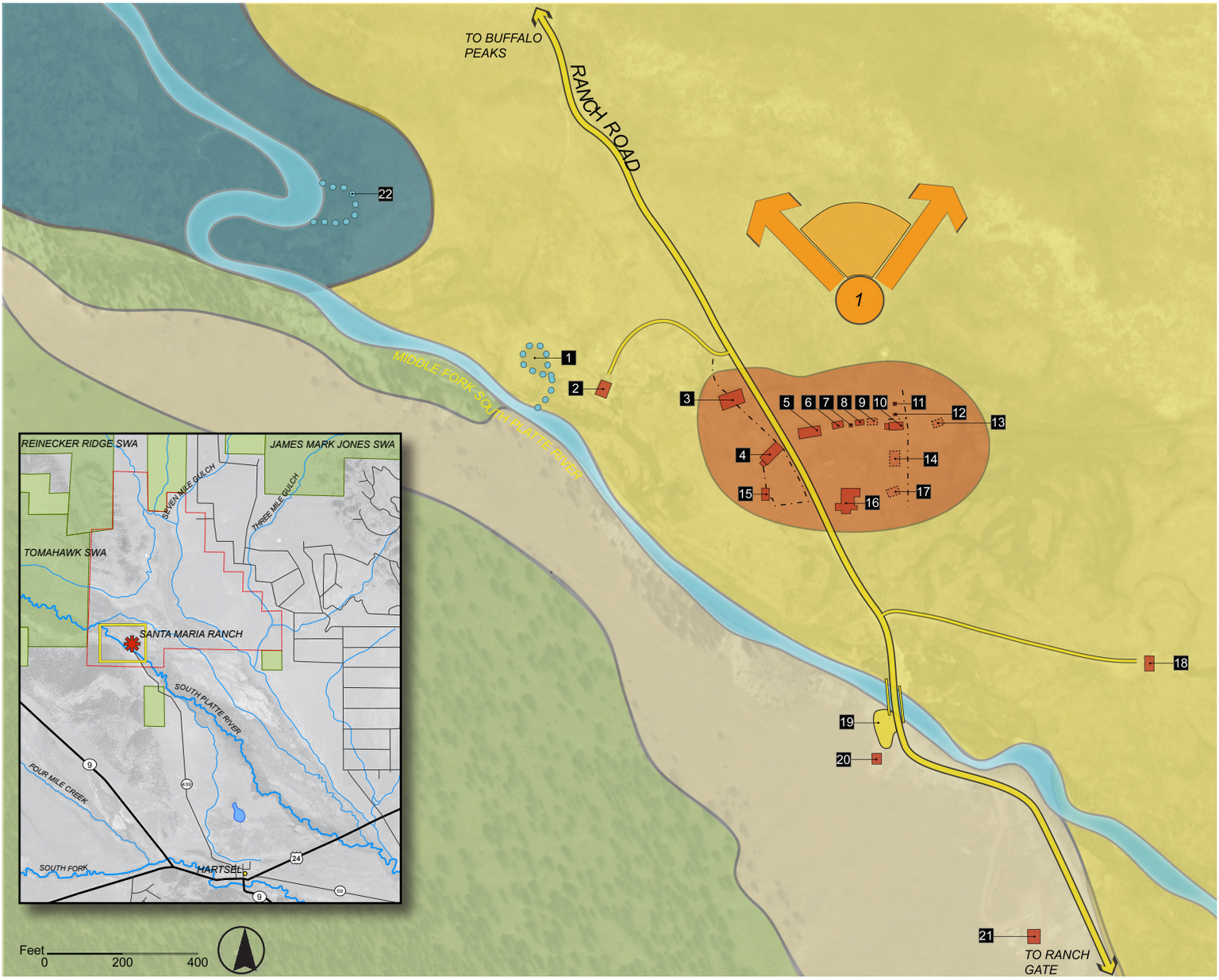
Fishing cabin



Loafing shed



Loafing shed interior



- Ranch Headquarters
- Riparian Willow Community
- Mixed Montane Forest
- Montane Grassland
- Montane Meadow
- Existing Structures
- 1 Expansive Views (to distant peaks and grasslands framed by ridges)
- Roadway
- Restored River Corridor/Enhanced Trout Habitat (1.3 miles of private water; 3-rod limit)
- Fencing

1. Warm Spring
2. Rental Cabin
3. Barn
4. Loaf Shed (rehabilitated)
5. Equipment Shed and Foundation
6. Blacksmith Shop
7. Outhouse
8. Chicken Coop
9. Carpenter Shop Foundation
10. Bunkhouse
11. Wellhouse
12. Bunkhouse Outhouse
13. Sheep Barn Foundation (planned reconstruction)
14. Cookhouse
15. Scale House
16. Main House (planned restoration)
17. Bunkhouse
18. Cabin
19. Angler Parking
20. Angler Outhouse
21. Caretaker Residence
22. Overflow Channel

CONTEXT & SITE MAPS

SANTA MARIA RANCH

The Santa Maria Ranch is located approximately three miles north of Harstel along County Road 439 in Park County, Colorado. The county road ends at the entrance to the ranch. The current owners purchased the ranch as a weekend getaway; at the time, the family did not realize they were purchasing a working business. In order to maintain their agricultural tax status, agricultural use of the property must be maintained. The property therefore operates as a cattle ranch with 110 head of cattle. The entire 2,880 acre ranch is held in a conservation easement that limits land use and construction on the property.

The ranch currently includes a caretaker's cabin and fishing cabin with modern utilities, the original ranch house, an old cabin with no utilities, a loafing shed adaptively re-used for social gatherings, and several other outbuildings, including a dilapidated bunk house. The fishing cabin is occasionally rented out for $150 per night and is located 75 feet from the Middle Fork of the South Platte River. About 1.3 miles of Gold Medal Stream is accessible to occupants of the cabin and is otherwise leased to the South Park Fly Fishers Program during the open water months.

Conservation Easement / Development Restrictions

A conservation easement held by Colorado Open Lands protects open space, habitat, water resources, and historic structures on the Santa Maria Ranch. The easement restricts building construction in several ways. The existing "residential" structures, including the caretaker house, old cabin, main house, river cabin, blacksmith shop, and bunkhouse may be expanded to create a cumulative total of 7500 square feet. Additionally, the easement allows for the reconstruction of "residential" structures that were part of the cultural landscape historically, and/or can be documented by historic photography including a bath house, carpenter shop (800 sq ft), second bunkhouse (800 sq ft) and cookhouse (1000 sq ft). This reconstruction is limited to 2000 square feet, and therefore would not allow for full reconstruction of the entire historic residential scene. The easement also permits the construction of a second river cabin of 1000 square feet or less.

Zoning

The Santa Maria Ranch is zoned as agricultural. Within that zone a guest ranch is permitted since the ranch is over 160 acres. A guest ranch is defined as "a use incorporating two or more guest rooms and including outdoor/indoor recreational facilities, such as, but not limited to, horseback riding, swimming, tennis courts, shuffle board courts, barbeque and picnic facilities, and dining facilities intended primarily for use by the guests of the guest ranch. Bars and restaurants that cater primarily to those other than guests of the guest ranch are not permitted." The uses proposed in this analysis for the Santa Maria Ranch are encompassed by that definition, therefore, no rezoning of the property should be required.

Special Event Permitting and Commercial Kitchen Requirements

Any special event will be considered under current Park County land use regulations as an "outdoor event". Any outdoor event with more than 75 people in attendance will require an outdoor event permit (no fee) which is administered through the planning and zoning office. If food is prepared on site or catered for an outdoor event, and the event is sponsored by a non-profit entity, then a licensed kitchen is not required. A

Santa Maria non-profit entity could be established to meet this requirement. Also, if the South Park National Heritage Area is established, it could serve as the event sponsor. If the kitchen prepares one meal per day for the guests of the ranch, then a licensed kitchen is not required. When any kitchen is open to the public, then the kitchen must be licensed. Since all uses proposed for the ranch would not be available to the general public and the kitchen would serve ranch and event guests only, a commercial kitchen will not be required.

It is estimated that retrofitting the loafing shed to accommodate a commercial kitchen (150 square feet) or re-constructing a new cookhouse of a similar size and capacity would cost about $20,000.

Commercial Well

According to the Colorado Division of Water Resources, any water use outside the realm of in-home, domestic or agricultural use is considered "commercial" and will require re-permitting the existing well(s) to a commercial well. The permitting process requires a $100 filing fee. The uses proposed for Santa Maria will require relatively little water, so it is possible that the ranch could re-permit the existing domestic well (that serves the old ranch house and loafing shed and would also serve the cookhouse) to a "commercial exempt" well. If it is determined that well uses (ranch house, loafing shed and cookhouse) do not exceed one-third acre-foot per year (108,600 gallons), then a commercial exempt permit can be applied for, thereby negating the need for an augmentation plan. To provide some perspective on water use, one-third acre-foot is the standard water used by a family household. In the most ambitious development scenario with optimal occupancy, there would be approximately 300 cabin nights (116 per cabin, plus 12 weekly rentals), plus 12 special events. Under this scenario, water would only be used for drinking, flushing toilets, showers and kitchen use and could not be used for outside watering (including irrigation and watering animals). The commercial exempt permit restricts the use of water to drinking and sanitation facilities, which could include the loafing shed or new cookhouse kitchen facilities. Exempt wells are exempt from water rights administration under the priority system and, therefore, do not require an augmentation plan. For the special events scenario, the commercial exempt permit would most certainly be acceptable. The landowner would just need to prove that ranch house and the loafing shed water use would not exceed one-third acre-foot per year.

In the event that the commercial uses at Santa Maria exceed the restrictions of the commercial exempt well, a standard commercial well will be required, along with an augmentation plan. The augmentation plan is a time-intensive process and expensive since it typically requires the expertise of a water consultant/engineer as well as a water rights attorney.

The augmentation planning process includes a 60-day period for objectors to submit their objections to the application. Depending on the number of objections and the extent of negotiations with other affected landowners, the process could take 6 months to 2 years. It will likely cost $10-15,000 for water consultants to perform the engineering analyses necessary for the application, and to provide the attorney with supporting materials to negotiate objections. Water engineering analyses will document how the water needs of the project were determined and how new water use can occur without affecting senior water rights. The application must explain where the water will be obtained, where water is to be used, how much will be used, when and where augmentation water will be required, and how the water augmentation plan will be operated. Changing existing water rights to cover new commercial uses is a more

complex application process than acquiring additional water rights, and fees for this type of analysis would be on higher end of the water consultant's fee scale. Attorney's fees for processing and navigating the application through water court will likely require $8,000 to $12,000.[10] This is in addition to the cost of purchasing commercial augmentation water, which amounts to $25,000 per acre-foot.

Tax Implications

According to the Park County's Assessors Office, renting cabins on Santa Maria may increase property taxes on the property. Property taxes are assessed on the value of the structures plus the footprint of land that each cabin occupies.

The assessed value of the two cabins is determined by multiplying their collective value ($250,000) by the assessment rate (29%). The assessed value of the Santa Maria cabins would therefore be $72,500. This assessed value is then multiplied by the Hartsel mill levy (.05088) which would bring the additional taxes to $3689. The land that cabin guests may use would also need to be assessed (1-2 acres) which would bring the annual taxes up to approximately $4500/yr. While hosting special events will not trigger an increase in taxes, the development/restoration of additional amenities such as outdoor spaces, the bunkhouse, and cookhouse to accommodate commercial use will also need to be factored into the assessed value of the commercial portions of the ranch.

Proposed Development Program

The biggest concern with continued development at the Santa Maria Ranch is the potential effect it will have on the current owners. The ranch functions as a private weekend getaway and may become the family's primary residence in retirement. This private use of the ranch requires a separation from public use of the site. In addition, the owners do not want to monopolize their time operating a commercial venture at the ranch. Therefore, this analysis assumes the owners will contract or hire housekeeping and administration services for all proposed improvements.

One of the greatest tourism assets of the site is the 1.3 miles of Gold Medal stream on the Middle Fork of the South Platte River. The current lease arrangement with the South Park Fly Fishers Program nets the ranch approximately $6,500 annually. This arrangement may be impacted by future development of the property as a fly-fishing lodge or special event venue. Currently the stream is fished five days each week on average between May and September and is limited to 3 rods per day. Larger parties can be accommodated but they must fish the river as a group.

Potential use of the site is varied, however all future uses should not conflict with the owner's desire to maintain privacy. A rustic lodge and dude ranch were not evaluated due to their inherent conflict with this desire for privacy. Furthermore, language contained in the conservation easement restricts such development and use. Potential uses of the ranch that meet all identified criteria include the following options:

- **Baseline Use –**This potential use of the site would build on the success of the first cabin by constructing a second rental cabin. The current lease with South Park Fly

[10] Estimates provided by Bishop Brogan Associates who are water consultants currently working at Hartsel Springs Ranch. This is a general estimate that may vary depending on the level of controversy incited by the application.

Fishers would continue along with current ranching activities. This option provides a baseline from which to evaluate other potential use options.

- **Fly Fishing Lodge/Camp –** The ranch could capitalize on its Gold Medal trout stream and become a small fly-fishing Lodge/Camp. Comparable facilities provide accommodations, dining, on- and off-site fly fishing lessons and guide services. The Santa Maria Ranch cannot provide a similar level of services due to restrictions of the conservation easement. The ranch could provide lodging for 8 to 12 people, a central gathering space, and group cooking facilities. In addition, partnerships with area fly shops and guides could provide lessons and on-site guided fishing excursions.

- **Special Event Venue –** The scenic setting of the ranch provides an atmosphere attractive to many special event planners including weddings, receptions, and other day use activities. The existing loafing shed could serve as a gathering space and a food preparation/serving area. While this will be a strictly day-use scenario with no overnight accommodations, the existing cabin could serve as a staging area for weddings and other events, or as a day-use facility. The ranch is well suited to serve as a special events venue for a retreat that has both a professional meeting component and ranch recreation appeal (e.g. fishing, hiking, riding, birding, barbeques).

- **Peaceful Retreat –** The quiet, aesthetic setting of the ranch makes it an ideal location for peaceful retreats. Such retreats appeal to yoga studios, fine artists, and a variety of humanitarian and support groups. The rustic facilities prevent access for certain disabled groups. Use of the ranch in this manner would require additional accommodations, which could be provided through construction of a camping area or bunkhouse. In addition, this use requires a central gathering space with a wooden floor and food preparation and service space. A fire pit could be constructed to allow for evening gatherings or overnight retreats.

All proposed uses of the site, except the baseline, will require additional improvements to the ranch. These improvements include the extension of water and electrical utilities, improvements to public toilet facilities, additional parking capacity, and grounds improvements (i.e. more established trails to buildings). All the options described above except the special event venue could include the construction of a second rental cabin.

Each of these scenarios also assumes restoration of the ranch house. However, the primary use of the ranch house will be as a private residence. Therefore, the cost of restoring the building has not been considered directly in this analysis. Instead, any net revenue generated by one or more development options will be considered as available funding for this purpose. In addition, this analysis assumes the owners will make personal investments in the restoration of the building since it will be primarily for their private use. This, however, does not exclude potential grant funds that might be available to restore the historic ranch house. These potential funding sources will be analyzed in a subsequent phase of the project.

Visitation Forecast

Visitation levels at Santa Maria Ranch depend on the preferred use scenario. Based on the development programs described and the comparable properties analyzed, visitation has been estimated for four different scenarios. The estimated visitation for each is described below and shown in **Table 22**.

- **Baseline Use –** The analysis of rental cabins in the Park County area indicates that most privately rented properties average 40 percent occupancy rates during the summer season. This average occupancy has been assumed for a season starting in May and ending in September resulting in approximately 62 nights for each unit. This option assumes that the property is used for fly-fishing approximately 75 percent of the time (250 rod fees), which is roughly equal to the current level of use for that purpose.

- **Fly Fishing Lodge/Camp –** The added attraction of fly-fishing instruction, guided fishing, and angler gatherings could increase the average overnight occupancy rate to 60 percent. This average occupancy results in approximately 92 nights per unit. During the 2008 season, fly-fishing at Santa Maria is expected to approach maximum capacity (3 anglers per day, six days per week, rest the property on the seventh day). Under the Fly Fishing Lodge/Camp scenario, however, groups staying overnight will be permitted to purchase 6 rods per day (3 more than what is currently permitted). The visitation forecast assumes that for 20 days of the season, organized groups of anglers (i.e. Pikes Peak Fly Fishers) will stay at the ranch and elect to pay for 6 rods per day on the stream, resulting in 60 additional rods per season. This scenario also assumes that group use does not otherwise diminish bookings through the South Park Fly Fishers Program, which is primarily on weekends.

- **Special Event Venue –** The availability of special event space including an improved loafing shed kitchen could attract as many as eight special events each year. Since this is a day-use-only scenario, no lodging occupancy was calculated. Fly-fishing use rates from the baseline scenario also apply to this scenario.

- **Peaceful Retreat** – The addition of a functional bunkhouse and improved kitchen could attract as many as four retreats annually generating approximately 160 person nights at the bunkhouse. This analysis assumes these retreats will utilize both cabins for two nights during each event, in addition to the baseline utilization estimate. It also assumes these special events use both cabins for two nights during each event. Fly-fishing use rates from the baseline scenario also apply here.

Many vacation rentals in the area offer weekly rentals providing a discount for longer stays. The addition of weekly rentals at Santa Maria could increase use of the two cabins. Weekly rentals may be compatible with each of the potential uses described. However, this may complicate scheduling of the cabins and use of the stream, resulting in more intensive administration. In addition, weekly rentals may conflict with site use for special events or retreats, which will likely occur on weekends. One benefit would be reduced housekeeping costs. Annual use of the cabins could range between 4 and 6 weeks per cabin, depending on other use of the site.

Table 22
Santa Maria Ranch Visitation Estimate
Park County Heritage Site Planning

	Unit	Scenarios				
		Baseline	Fly Fishing Lodge/Camp	Special Event Venue	Peaceful Retreat	Combined Use
		(Units)	(Units)	(Units)	(Units)	(Units)
Overnight Visitors						
Existing Cabin	Cabin Nights	62	92	0	70	100
New Cabin	Cabin Nights	62	92	0	70	100
Bunkhouse	Person Nights	0	0	0	160	160
Occupancy Rate		40%	60%	0%	45%	65%
Weekly Rentals	Cabin Weeks	**12**	**8**	**0**	**12**	**12**
Day Use						
Special Events	Events	0	0	8	4	12
Fly Fishing [1]	Rods	250	310	250	250	310

Source: Shapins Belt Collins; Economic & Planning Systems

[1] Under the Fly Fishing scenario, groups of anglers staying overnight are permitted to purchase 6 rods per day. It is estimated that on 10 weekends (20 days) of the season, groups of anglers will purchase the additional rods which will result in 60 more rods per

The uses described above for Santa Maria Ranch are not mutually exclusive. A Fly Fishing Lodge/Camp, Special Event Venue, and Peaceful Retreat can function simultaneously on the site. The combined use of the site for all three of these proposed uses could create synergy and generate visitation in excess of any individual scenario. Therefore, combined use of the site could increase occupancy of the cabins to 75 percent or approximately 116 nights. The combined scenario assumes use of the ranch for 12 of the 22 summer weekends for retreats and special events. Fly-fishing use would equal the level estimated for the Fly Fishing Lodge/Camp scenario.

Economic Considerations

As discussed below, the ranch will serve the dual purpose of being a private weekend getaway to be shared with friends and family, and a commercial venture. This economic analysis focuses only on feasibility of the proposed commercial venture for the ranch. Any net revenue or profit derived from the commercial venture(s) would be available for use in restoring the ranch house and maintaining other private aspects of the ranch.

Based on the development programs described, capital costs associated with improving the ranch for commercial use range widely from $45,000 to $349,000, as shown in **Table 23**. Costs include:

- $125,000 to construct a 1,000 square foot rental cabin.
- $60,000 to restore/construct an 800 square foot bunkhouse either for gathering/meeting space or as sleeping quarters (no utilities).
- $125,000 to construct the cookhouse. The cookhouse would include an open floor plan with wood flooring, a group kitchen, and a bathroom/shower room. This estimate includes installation of a 4-chamber waste water treatment system.

- $20,000 for renovations to the loafing shed including a kitchen upgrade to make the structure more suitable for catering and serving larger groups.
- $8,500 to restore two outhouses as vault toilets.
- $700 for a fire pit for outside evening gatherings.
- Between $16,000 -30,000 in site improvements including gravel paths, parking, and the extension of utilities.

The estimated cost of adding a second rental cabin only, as indicated under the baseline scenario, is $125,000. The Fly Fishing Lodge/Camp scenario would require approximately $216,000 in additional investment. Since the Special Event Venue scenario only requires upgrades to the loafing shed and site improvements, it would cost approximately $45,000. The Peaceful Retreat requires the most significant investment of nearly $348,000, due to the need for both bunkhouse and cookhouse construction. If all three scenarios were combined, the required level of investment would be the same as estimated for the Peaceful Retreat.

Table 23
Santa Maria Ranch Capital Costs
Park County Heritage Site Planning

Capital Cost	Scenarios: Baseline	Fly Fishing Lodge/Camp	Special Event Venue	Peaceful Retreat	Combined Use
Structures					
Cabin (1,000 SqFt)	$125,000	$125,000	$0	$125,000	$125,000
Bunkhouse (800 SqFt)	$0	$60,000	$0	$60,000	$60,000
Cookhouse (1,000 SqFt)	$0	$0	$0	$125,000	$125,000
Loafing Shed Upgrades	$0	$0	$20,000	$0	$0
Subtotal	**$125,000**	**$185,000**	**$20,000**	**$310,000**	**$310,000**
Facilities					
Vault Toilet (2)	$0	$8,500	$8,500	$8,500	$8,500
Fire Pit	$0	$700	$700	$700	$700
Subtotal	**$0**	**$9,200**	**$8,500**	**$8,500**	**$8,500**
Site Improvements					
Utilities	$0	$2,500	$1,250	$2,500	$2,500
Paths	$0	$15,000	$5,000	$15,000	$15,000
Parking	$0	$4,050	$10,000	$12,500	$12,500
Subtotal	**$0**	**$21,550**	**$16,250**	**$30,000**	**$30,000**
Total Capital Costs	**$125,000**	**$215,750**	**$44,750**	**$348,500**	**$348,500**

Source: Shapins Belt Collins; Chamberlain Architects; Economic & Planning Systems

G:\Projects_II\07_561_Park_County_HSP\4_Active_Files\!SP_ANALYSIS_REPORT_10.07\!SP_AnalysisReport_1.2008\SantaMaria\[SMR_AnalysisTables.xls]Capital Costs

Annual operating costs include taxes, utilities, vault toilet service, maintenance reserves, and administrative costs. These costs range from $12,000 to $56,000 annually, as shown in **Table 24**. The largest operating expenses include taxes (which represent the additional increment generated by the proposed uses), maintenance reserves, and administrative staff. Increased property taxes may pose a deterrent to heritage tourism development at the Santa Maria Ranch.[11] Some of the costs associated with administrative staff, which include managing the scheduling of facilities and maintenance of the property, could be offset by in-kind exchange in place of rent from the on-site caretaker. While this option may be convenient, it still represents a cost to the landowner. For the Special Events Venue scenario, the tax burden would be minimal since the loafing shed would be considered the only commercial portion of the ranch, and the renovation cost would be factored into the assessed value. Additionally, this scenario's operating cost is kept low because it only involves part-time staff (1/4 FTE) and minimal housekeeping. Combined use of the site for all three potential uses could require $76,000 in annual operating costs.

One means of funding the capital improvements associated with these development scenarios involves securing a commercial loan on the property. If a loan were used, the annual payments (assuming a 30 year fixed rate loan at 8.0 percent) could range from $4,000 to $32,000, as shown. Other methods of raising capital funds include grants, fund raising, endowments, historic tax credits, and subsidies. These methods will be described further in a later phase of the project.

[11] Santa Maria Ranch owner, George Meyer, offered the following analysis in an effort to demonstrate the challenge of overcoming the property tax burden: At a 10% profit margin on lodging scenarios, with an additional $4,500 in property taxes one must produce $45,000 in gross revenue before seeing any economic benefits. This would require an 80% occupancy rate, which is ambitious, and would require a large marketing effort as well as substantial management oversight for the landowners. David Wissel, Park County Assessor feels this issue warrants further discussion and is willing to work with the landowners to determine which, if any, of the proposed improvements will warrant a change in the property tax valuation basis.

Table 24
Santa Maria Ranch Operating Costs
Park County Heritage Site Planning

Operating Cost	Factor	Scenarios: Baseline	Fly Fishing Lodge/Camp	Special Event Venue	Peaceful Retreat	Combined Use
Operations & Maintenance						
Taxes		$4,500	$4,500	$300	$6,300	$7,200
Utilities	Season [1]	$500	$750	$500	$1,250	$1,250
Vault Toilet Service	Annually	$0	$250	$250	$250	$250
Maintenance Reserves [2]	2%	$2,500	$4,300	$900	$7,000	$7,000
Subtotal		**$7,500**	**$9,800**	**$1,950**	**$14,800**	**$15,700**
Administration						
Staff	FTE	0.75	0.75	0.25	1.00	1.50
Staff Salary/Benefits		$28,125	$28,125	$9,375	$37,500	$56,250
Housekeeping [3]	$30/Stay	$2,900	$3,500	$300	$3,200	$3,900
Subtotal		**$31,025**	**$31,625**	**$9,675**	**$40,700**	**$60,150**
Total Operating Costs		**$38,525**	**$41,425**	**$11,625**	**$55,500**	**$75,850**
Loan Payment [4]		$11,103	$19,165	$3,975	$30,956	$30,956
Total w/ Debt Cost		**$49,628**	**$60,590**	**$15,600**	**$86,456**	**$106,806**

[1] Based on a five month season from May thru September

[2] Based on total capital investment

[3] Assumes 60 percent of cabin rentals include two nights

[4] Assumes a 30 years fixed rate loan at 8.0 percent

Source: Shapins Belt Collins; Chamberlain Architects; Economic & Planning Systems

G:\Projects_II\07_561_Park_County_HSP\4_Active_Files\!SP_ANALYSIS_REPORT_10.07\!SP_AnalysisReport_1.2008\SantaMaria\[SMR_AnalysisTables.xls]Operating Costs

Potential revenues for the site will include:

- **Cabin Rental Fees –** The existing cabin currently rents for $150 per night, which is very competitive for the summer season in Park County. The second cabin will include two bedrooms and a loft with sleeping space. The second cabin, therefore, should rent for at least $175 per night.

- **Bunkhouse Accommodation Fees –** Accommodations at the bunkhouse will include a bunk bed with mattress. Guests will be required to supply their own sleeping bag or linens. Given there will not be bathroom facilities, the rate should be an estimated $25 per night based on other rustic accommodations.

- **Weekly Rental Fees –** Both cabins could be rented weekly for a portion of the summer. Average weekly rates in the Park County area range from $800 to $1,100. Based on the isolated location of the cabins and smaller size than average competitive units, the cabins should rent for between $800 and $900 per week, or approximately a 20 percent discount to the daily rate.

- **Special Event Fees –** Special events typically include costs for facility use, catering, rental equipment, etc. Santa Maria Ranch will only collect a facility use fee, as the landowners are not interested in running catering and equipment rental operations. Based on comparable facilities, the Santa Maria Ranch should be capable of garnering a facility use fee of $500 per day. Other costs associated with catering

and rental equipment will be paid directly to the vendor by the user. Santa Maria Ranch will not receive any revenue from these transactions.

- **Rod Fees –** Rod fees will be applicable for both day users and overnight users. Many comparable fly fishing lodges/camps charge for accommodations rentals and the use of associated fishing water. The fee will remain $60 per day through the South Park Fly Fishers Program. This program yielded $6,400 in total revenue to the owners during 2007. The amount is expected to be $7,000 in 2008 due to increased promotion (and day use) by the South Park Fly Fishers Program. Under the Fly Fishing Lodge/Camp scenario, it is assumed that groups of anglers that book the ranch for two days and stay overnight are entitled to 6 rods per day (as opposed to the standard 3 rods per day). Assuming that such groups will book the ranch 20 days per season, this would add an additional 60 rods per season. This scenario will have to be monitored closely to ensure that expanding the angler capacity does not jeopardize quality of the resource or the existing fishing access program.

The proposed use of and estimated visitation at the ranch will provide between $15,500 and $52,500 in annual revenues, as shown in **Table 25**. The combined use of the site for all three uses could generate approximately $65,500 annually.

Table 25
Santa Maria Ranch Annual Revenues
Park County Heritage Site Planning

Annual Revenues	Unit	Fee [1]	Scenarios: Baseline (Units)	Fly Fishing Lodge/Camp (Units)	Special Event Venue (Units)	Peaceful Retreat (Units)	Combined Use
Overnight Visitors							
Existing Cabin	Cabin Nights	$150/Night	$9,300	$13,800	$0	$10,500	$15,000
New Cabin	Cabin Nights	$175/Night	$10,850	$16,100	$0	$12,250	$17,500
Bunkhouse	Person Nights	$25/Night	$0	$0	$0	$4,000	$4,000
Subtotal			**$20,150**	**$29,900**	**$0**	**$26,750**	**$36,500**
Weekly Rentals	Week	$850/Week	**$10,200**	**$6,800**	**$0**	**$10,200**	**$10,200**
Day Use							
Special Events	Events	$500/Event Days	$0	$0	$4,000	$4,000	$6,000
Fly Fishing [2]	Rods	$60/Rod	$6,400	$8,200	$6,400	$6,400	$6,400
Subtotal			**$6,400**	**$8,200**	**$10,400**	**$10,400**	**$12,400**
Cattle			**$6,500**	**$6,500**	**$6,500**	**$6,500**	**$6,500**
Total Annual Revenue			**$43,250**	**$51,400**	**$16,900**	**$53,850**	**$65,600**

[1] Signifies net revenue to property owner; property owner receives approximately 33 percent of the rod fee of $60

[2] In 2008, fishing use at SMR is expected to increase and reach its capacity. This table assumes that under the Fly Fishing scenario this projection will be met since fishing opportunities will be promoted more intensely. Additionally this scenario assumes an additional 60 rods per season, with

Based on the economic analysis, several of the proposed uses do not generate sufficient annual revenue to offset the associated operating and maintenance costs. The net result for each of the proposed scenarios is described below:

- **Baseline Use –** The baseline scenario generates approximately $4,700 in positive annual net cash flow or an 11 percent profit margin, as shown in **Table 26**.

- **Fly Fishing Lodge/Camp –** The Fly Fishing Lodge/Camp scenario generates approximately $10,000 in positive annual net cash flow or a 19 percent profit margin. This profit is due to an increase in cabin bookings as well as the collection of additional rod fees.

- **Special Event Venue –** The Special Event Venue scenario generates approximately $5,000 in positive annual net cash flow or a 31 percent profit margin.

- **Peaceful Retreat –** The high annual operating cost associated with this scenario will result in an estimated negative annual net cash flow of $1,650.

- **Combined Use –** Despite generating the highest revenues, combining the four use options does not support estimated operating costs. The result is an annual deficit of $10,250. When the Peaceful Retreat is factored out the equation, the remaining three uses will collectively net approximately $16,000 in annual revenue or a 25% profit. Note that this assumes that only one full-time staff will be needed to run the combined use scenarios.

Table 26
Santa Maria Ranch Financial Feasibility
Park County Heritage Site Planning

	Scenarios				
Annual Revenues	**Baseline** (Units)	**Fly Fishing Lodge/Camp** (Units)	**Special Event Venue** (Units)	**Peaceful Retreat** (Units)	**Combined Use**
Operational Feasibility					
Annual Revenue	$43,250	$51,400	$16,900	$53,850	$65,600
Operating Costs	$38,525	$41,425	$11,625	$55,500	$75,850
Annual Net Cash Flow	**$4,725**	**$9,975**	**$5,275**	**($1,650)**	**($10,250)**
Profit Margin	10.9%	19.4%	31.2%	n/a	n/a
Financial Feasibility					
Annual Revenue	$43,250	$51,400	$16,900	$53,850	$65,600
Operating Costs	$38,525	$41,425	$11,625	$55,500	$75,850
Loan Payment	$11,103	$19,165	$3,975	$30,956	$30,956
Annual Net Cash Flow	**($6,378)**	**($9,190)**	**$1,300**	**($32,606)**	**($41,206)**
Capitol Costs	**$125,000**	**$215,750**	**$44,750**	**$348,500**	**$348,500**
Return on Investment	**4%**	**5%**	**12%**	n/a	n/a

Source: Shapins Belt Collins; Chamberlain Architects; Economic & Planning Systems

If a loan was secured to fund the capital improvements at the Santa Maria Ranch, the annual net cash flow for each scenario decreases significantly. Only the Special Event Venue scenario could cover the debt service while the others would result in net deficits ranging from $6000 to $33,000. Combined use of the site would result in an estimated $41,000 negative annual cash flow. As described previously, a loan is only one mechanism for generating the required capital to develop/restore the ranch for these potential uses. Additional funds may be available through grants, fund raising events,

investments, endowments, preservation tax credits, and national heritage area appropriations.

Conclusion

If occupancy rates tested in the analysis can be achieved at the Santa Maria Ranch, there are three potential uses for the site that could generate positive annual net cash flow, including the Baseline, Fly Fishing Lodge/Camp, and Special Event Venue. Net revenues under any of these three scenarios could be used by the owners to fund the restoration of other ranch structures, including the main ranch house and out buildings, as well as additional site improvements. Ultimately the property owners must determine the most appropriate use of the site based on preference, willingness to operate a commercial venture, and the need for additional revenue to fund restoration and make the venture worthwhile.

Recommendations
Assuming that limited facility improvements will not significantly increase annual property taxes, it is recommended that the property owners strategically build on existing baseline conditions by:

1) constructing one additional guest cabin;
2) enhancing and actively marketing the loafing shed and grounds as a special events venue to highly targeted market segments;
3) positioning the ranch as an overnight destination for a limited number of angling groups during specific times of the year (i.e. October), while maintaining the day-use fishing program;
4) using net revenues or profits to leverage other sources of funding for ongoing restoration and interpretation of the main ranch house.

Considering that 1) the owners' have a stated desire to maintain their privacy, 2) the range of feasible and acceptable uses will require relatively limited capital improvements, and 3) the profit margin is slim (at best) for all uses that were evaluated, it is recommended that the owners consider a not-for-profit business model that would allow for the reinvestment of net annual income into historic preservation, interpretation and other operational improvements, with minimal tax implications.

It is further recommended that the owners undertake improvements in a staged or phased manner, starting with the option that is least intrusive. By doing so they will get a sense of whether additional improvements and increased public use of the ranch are desirable or warranted.

SOUTH PARK NATIONAL HERITAGE AREA

The South Park National Heritage Area has the opportunity to become a compelling heritage Tourism destination. The proximity to the urban corridor along the Front Range provides a large potential visitor base. In addition, a significant portion of Colorado tourism already involves heritage activities. Park County and the South Park NHA can capitalize on these assets to generate a new base of tourism for the County—success will be linked to the attractiveness of various sites within the area. The five sites analyzed in this study can provide the seeds to create a national heritage area. These five sites alone are not expected to provide sufficient cumulative attractions for long-term success. Successful heritage areas can create a compelling story that exceeds the sum of its various attractions. The South Park NHA faces this challenge.

VISITATION FORECAST

Visitation to the South Park NHA will depend on two factors, the visitation to the individual sites and the ability of the sites to create a compelling story that when taken as a whole equates to a larger attraction than the sites constitute on their own. The total visitation of the five sites will range from 40,000 to 55,000. Assuming that each of the individual sites is successful and contributes to a larger story the visitation for the entire NHA could reach levels as high as 60,000 to 70,000, based on comparable NHAs across the nation. The initial visitation estimate constitutes a capture rate of approximately 7.0 percent of the Front Range market potential.

RECOMMENDATIONS

The research conducted during this study indicates that NHAs are most successful when they create a compelling illustration of how place aided in the formation of the nation, or influenced the course of American history. The South Park area has a unique and captivating story to tell. The next phase of the NHA process includes the development of a management plan. This process should focus on leveraging these five sites into one cohesive story.

V. FUNDING OPTIONS FOR SITE DEVELOPMENT

Heritage tourism development of the five sites featured in this South Park Heritage Tourism project will most likely require outside funding. Funding will be required to ensure the long-term preservation of the sites and to make them visitor-ready and inviting to heritage tourists.

The most relevant lesson learned from the comparable facilities was that initial capital improvement projects were funded heavily by donations or grants. Gifts and donations may come through personal contacts and people who hold a special interest in certain causes, but grants can provide additional funding for a certain cause made available at the state or national level. There are numerous sources for the funding of historic preservation and heritage projects at the state and national level and each has its own set of requirements and funding capacity.

The following overview describes some of the potential sources as well as resources for discovering other options. This overview is intended to assist in determining which options are appropriate and directing efforts toward those. **Table 27**, at the end of this section summarizes potential funding sources that the property owners, interested parties and Park County could pursue.

Options
Funding sources are available in the forms of grants, tax credits, and loans from a wide variety of local, state, and national organizations. Each organization outlined in Table 27 is involved to various degrees in historic preservation, rehabilitation or education, and makes funding available to further those objectives. On a national level, the Environmental Protection Agency as well as Tourism Cares have funding available for education on important environmental issues, such as water conservation and support for outreach programs, in addition to grants for capital improvements to historically significant buildings. At the state level, the State Historical Fund, Colorado Historical Society, Colorado Historical Foundation, and the Department of Local Affairs also have a variety of funding sources for different preservation projects. In some cases, local funding may be available as was the case for the Yuma NHA and the City of Yuma.

Major Requirements
Generally, the requirements for most of these national and state level funding sources is that the site or building be one of historical significance, i.e. either on the National Register of Historic Places or capable of achieving such status. While many of the funding sources require the applicant be a public entity or non-profit organization to be eligible, some of them permit private owner or for-profit businesses to apply if teamed with a non-profit.[12] Overall, annual funding available is limited and the number of applicants is high, making the application processes highly competitive.

Tax Considerations
Several questions have arisen regarding the tax burden to a site if used by a non-profit organization in conjunction with or without a for-profit business. According to discussions with officials from the Park County Assessor's office, the level of taxation for an improved site is largely determined by its uses or combination of uses. If a non-profit

[12] Note, in the Como Roundhouse site analysis (pg. 55) there is additional discussion about the merits of establishing a non-profit to manage the heritage site and its development venture.

organization and a for-profit commercial business operate on a site, the Assessor will likely assess the property according to the amount of space used for each specific purpose. That is, space used for commercial purposes would be taxed at a commercial rate, whereas the acreage used for agricultural purposes would be taxed under its appropriate rate. A non-profit, however, if it is the owner of the site, may apply to the Department of Property Taxation at the Department of Local Affairs for a property tax exemption, though its application would likely be disqualified by the presence of a for-profit business operating on the site.

Furthermore, easements often have very specific language about the limitations on development or even use of a site. This and any other legal documents should be consulted thoroughly to determine any additional limitations.

Table 27
Potential Funding Sources
Park County Heritage Sites Analysis

Funding Source/Fund Types	General Description	Project Types	Major Req's	Application Process	Funding Amount
State Historical Fund					
General Grants	Projects that involve the excavation, stabilization, restoration, rehabilitation, reconstruction, or acquisition of historic buildings or sites, preservation planning, site surveying or educational programs.	- Development and Acquisition - Surveying and Planning - Education Projects	- Must be a public or non-profit organization - Historic Designation at National, State or Local Level - Private/Individuals can team with non-profit or public organization	- Twice annual application - Competitive selection process	$10,000 to $300,000
Historic Building and Archaeological Assessments	Evaluation of buildings or sites to determine historic value and ways to preserve them.	- Surveying and Planning	- Eligible for designation	- Applications accepted at any time. - Awards based on availability of funding	$10,000 or less
Emergency Grants	Emergency funds to help preserve sites/buildings until a long term plan or additional funding is created.	- All types	In need of immediate help	- Applications accepted at any time. - Awards based on availability of funding and severity of situation	$10,000 or less
National Trust for Historic Preservation					
Preservation Easements	A preservation easement conveys legal control from a private property owner to a preservation organization. The holding organization is then eligible for a charitable contribution deduction from the IRS for the value of the easement.	- Any Historic Site or Structure	- Must meet IRS criteria for a Historic Preservation Easement	- Draft easement and record with County.	Dependent on value of Easement
Preservation Planning and Education	Funds from National Trust for preservation planning and education programs operated by public entities or non-profits organizations	- Preservation Planning and education programs	- Must be a non-profit or public organization. - Must be for planning or educational efforts	- Twice annual application - Competitive selection process	$500 to $5,000 matching grant
Johanna Favrot Fund for Historic Preservation	Provides nonprofit organizations and public agencies grants for projects that contribute to the preservation or the recapture of an authentic sense of place. Available to businesses/individuals if project includes site/building on National Register	- Projects that contribute to the preservation or the recapture of an authentic sense of place.	- Must be public or non-profit organization - OR project is a National Historic Landmark	- Annual application - Competitive selection process	$2,500 to $10,000
Cynthia Woods Mitchell Fund for Historic Interiors	Provides nonprofit organizations and public agencies grants to assist in the preservation, restoration, and interpretation of historic interiors. Individuals and for-profit businesses only if the project involves a National Historic Landmark.	- Projects that need assistance for the restoration, preservation and interpretation of historic interiors	- Must be public or non-profit organization - OR project is a National Historic Landmark	- Annual application - Competitive selection process	$2,500 to $10,000
Federal Rehabilitation Tax Credit	Tax credits for a portion of the cost to rehabilitate a historic building for commercial use.	- Projects needing a substantial amount of rehabilitation	- Property must be a certified historic structure on either the National Register or part of a registered historic district. - Must meet Secretary of the Interior standards for rehabilitation. - Any building built before 1936	- Credit issued when filing taxes - Reduces amount of tax owed - Can be spread over a period of years	- Up to 20% of cost of rehabilitation. - 10% for non-historic buildings built before 1936.
National Trust Loan Fund	Loans available for historic preservation projects	- Historic preservation projects that support underserved or distressed communities	- Acquisition and rehabilitation of historic residential, commercial and public projects - Must be a non-profit organization, public agency, Revitalization organization, developer working on certified main street projects, developer working on older and/or historic buildings	- Can apply at any time for loan	- Case by Case Basis - Low-interest fixed rate loan
National Trust Community Investment Corporation	Corporation makes equity investments in rehabilitation of historic properties eligible for the 20 percent Federal Historic Rehabilitation Tax Credit (see above) and sometimes state historic tax credits.	- Projects eligible for National and State Rehabilitation Tax Credits	- Public agencies and non-profit organizations are eligible if willing to create a limited liability partnership for project. - All projects eligible for tax credit are eligible for project, public and private owners. - Projects with high community benefit are preferred	- Can apply at any time for request to create partnership	- Generally invest in projects that have at least $6.0 million in total development costs and generate at least $1.5 million in historic tax credit equity. - Referral fee is paid to non-profit or public agencies who refer deals to NTCIC that are accepted
Preserve America					
Preserve America Grants	Grants to support community efforts to demonstrate sustainable uses of their historic and cultural sites and the economic and educational opportunities related to heritage tourism	-Project does not fund brick and mortar projects - Complements the Save America's Treasures grant program by helping communities manage these landmarks sustainably.	- Must be a registered Preserve America Community	- Annual application - Competitive selection process	Average Grants are around $100,000
Colorado Historical Society					
State Rehabilitation Tax Credit	Tax credits for a portion of the cost to rehabilitate a historic building for commercial use.	Projects that needing a substantial amount of rehabilitation	- Must be on the State Register or a locally designated landmark - OR a building at least 50 years old	- Credit issued when filing taxes - Reduces amount of tax owed - Can be spread over a period of years	- Up to 20% of cost of rehabilitation up to $50,000. - Project must be greater than $5,000
Save America's Treasures Program					
Federal Save America's Treasures Grants	Preservation and conservation work on nationally significant historic properties and collections.	- Preservation and Conservation projects of national significance	- Projects of National Importance. - Require a dollar-for-dollar, non-Federal match.	- Annual application - Competitive selection process	- Minimum grant request projects is $125,000 -Maximum grant request for all projects is $700,000.
J. Paul Getty Trust	Funds created for planning the preservation, conservation and ongoing care of historic sites, buildings and districts.	- Preservation Planning Projects	- Must meet criteria for significance and potential for success. - Usually granted to state and local governments, and local historical/preservation non-profit organizations.	- Annual application - Competitive selection process	$10,000-$50,000

USDA Rural Development Program	Funds available for helping restore rural rental housing and housing for low income residents. **Not a Historic Preservation Program**	- Restoration of homes	- Must be considered "rural" housing - Must qualify as a "low-income" owner - OR must be a for-rent property	- N/A	- Case by Case Basis
Colorado Preservation Inc.	Colorado Preservation Inc. maintains an endangered sites/buildings list. Helps raise funds for the preservation of sites/buildings on endangered list. No consistent grant program. Can provide emergency assistance on a case by case basis.	- Awareness of endangered Historic places	- List of endangered places created by Colorado Preservation Inc. - Can Submit nomination of Property to List	- Yearly list created	- Indirect Funding Opportunities
TEA 21	Part of the Transportation Equity Act of 1998. Projects must be a surface-transportation related projects that enhance the project above standard levels. One of the 12 project types is historic preservation.	Historic Preservation Project types: - Acquisition of Historic Sites - Protection and enhancement of historic highways - Identification, evaluation, and protection of a historic structure - Development of a historic railroad museum - Rehabilitation, restoration and preservation of bridges, trestles, and buildings - Planning to improve identification and evaluation of archaeological sites	- National, State or Local Historic Landmark - Must have a current or planned usefulness - Must adhere to Secretary of interiors guidelines for restoration and rehabilitation - Site Must be accessible from a transportation facility, open to the public and willing to accept a Preservation covenant - application Must be submitted by a pubic agency	- Annual application - Competitive selection process	- Applicant must match at least a 20% of total project cost - Project judged on use of innovative financing including: Local matches, in-kind donations, and advance payment options
Colorado Historical Foundation **- Revolving Loan Fund**	The Loan Fund partners with the State Historical Fund by providing grant recipients an additional source of funding in the form of a low-interest rate loans.	- State Historic Fund grant recipients	- Construction loans for Rehabilitation projects - Bridge loans for rehabilitation projects in need of help until State Historic Funds are granted.	- Can apply at any time for loan	- Any sized loan excepted - Must be able to provide a minimal down payment - Loans less than $100,000 or greater than $750,000 will only be considered under unique circumstances
Colorado Dept. of Local Affairs	See "State Historic Fund" above	n/a	n/a	n/a	n/a
Colorado Tourism Office	See "State Historic Fund" above	n/a	n/a	n/a	n/a
Environmental Protection Agency **- Environmental Education Grants**	These grants are for projects that enhance the public's awareness, knowledge, and skills to help people make informed decisions that affect environmental quality.	- Environmental resource protection programs - Education projects	- Applicants must represent either a Local Education agency, State Education or environmental agency, college/university, or non-profit organization.	- Annual Application	Approximately 75% are less than $15,000, but some are in excess of $75,000.
Tourism Cares **- Worldwide Grant Program**	This program distributes charitable grants to worthy tourism-related non-profit organizations for capital improvements	- Capital improvements to protect, restore or conserve sites of exceptional cultural, natural or historical significance - Education of local host communities and the traveling public about conservation and preservation of sites	- Projects already endorsed by the local, regional or national tourism office. - Demonstration of strong community support and involvement. - Must be a non-profit, and must satisfy Tourism Cares Grant-Funding Goals	- Twice annual application - Competitive process	$10,000 to $100,000

Source: Colorado State Historic Fund; National Trust for Historic Preservation; Preserve America; Colorado Historical Society; Save America's Treasures Program; USDA; Colorado Preservation Inc.; Colo. Depart. Of Transportation; Economic & Planning Systems