PARK COUNTY DEMOGRAPHIC, ECONOMIC AND FISCAL BACKGROUND REPORT

STRATEGIC MASTER PLAN UPDATE
NOVEMBER 25, 2015

RPI Consulting LLC

Durango, Colorado

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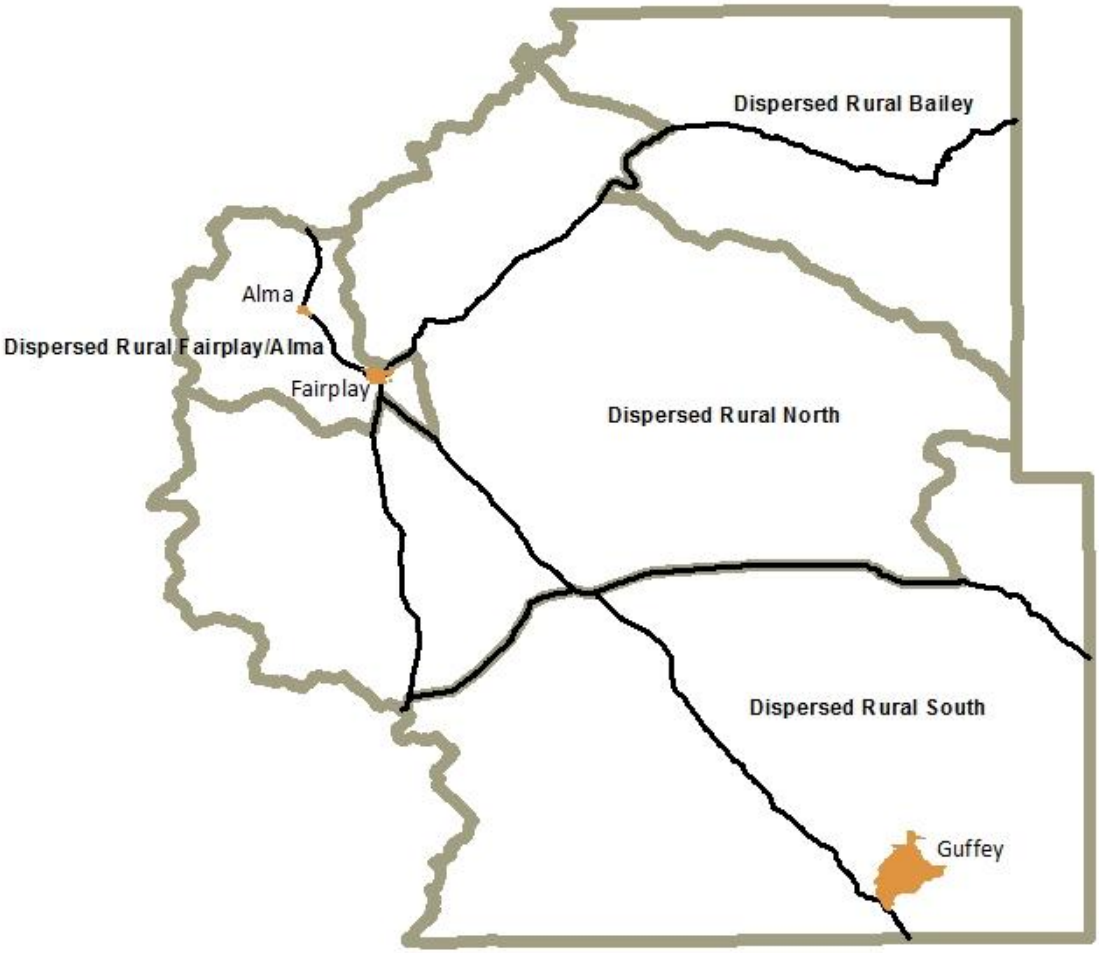
INTRODUCTION

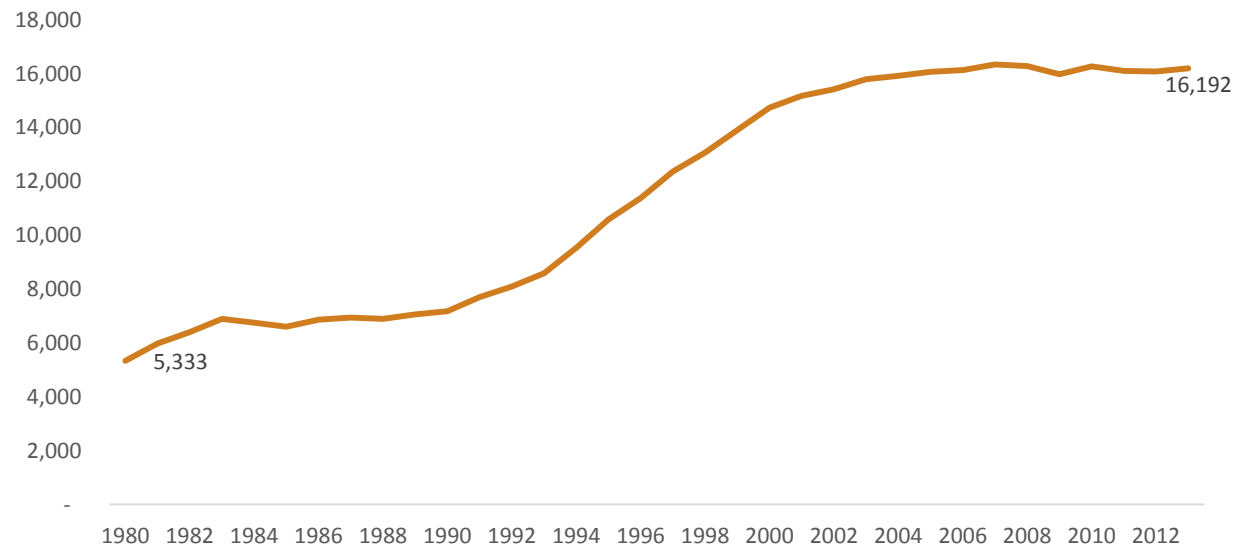
The economic and demographic profile provides information about Park County and uses neighboring counties as comparisons. The data provided in this demographic profile was collected from three different sources, the US Census Bureau, the Colorado Department of Local Affairs, and 2013 county budget audits. It is important to note that throughout this profile Park County is broken up by designated census areas (see map below), not Park County's designated sub area boundaries. The two municipalities in Park County, Fairplay and Alma, are listed separately and are not included in the rural Fairplay Alma area.



POPULATION

The population in Park County increased by 10,859 people between 1980 and 2013. The greatest population increase occurred during the nineties. In 1990 the population was 7,174 and by 2000 the population more than doubled to 14,729. The population continued to grow in the 2000's right up until the Great Recession hit in 2008 and people went elsewhere for jobs, since then the population has fluctuated but now seems to be slowly increasing.

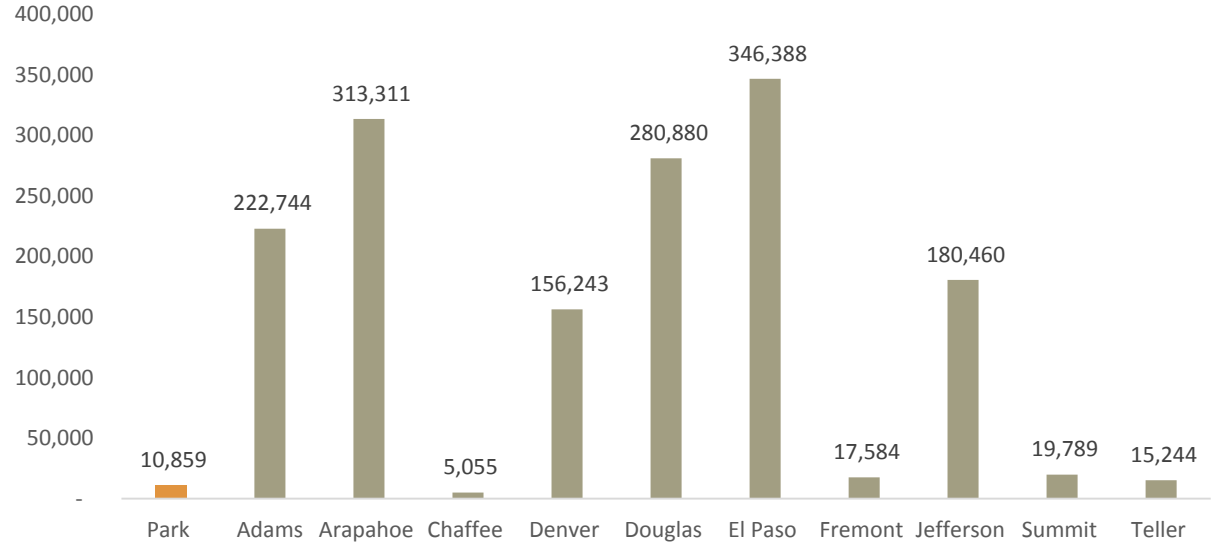
Figure 1 – Park County Population 1980 – 2013



Source: Colorado Department of Local Affairs

Though the population in Park County tripled from 1980 to 2013, it still has the smallest population compared to nearby counties. It has remained a rural county with a small population dispersed throughout a large geographic area. During this time many people moved to Park County because of its proximity to jobs in the Front Range, while maintaining its rural character and natural beauty. During the same time the populations of the already metropolitan Front Range counties of Adams, Arapahoe, Douglas, El Paso, and Jefferson continued to grow even larger.

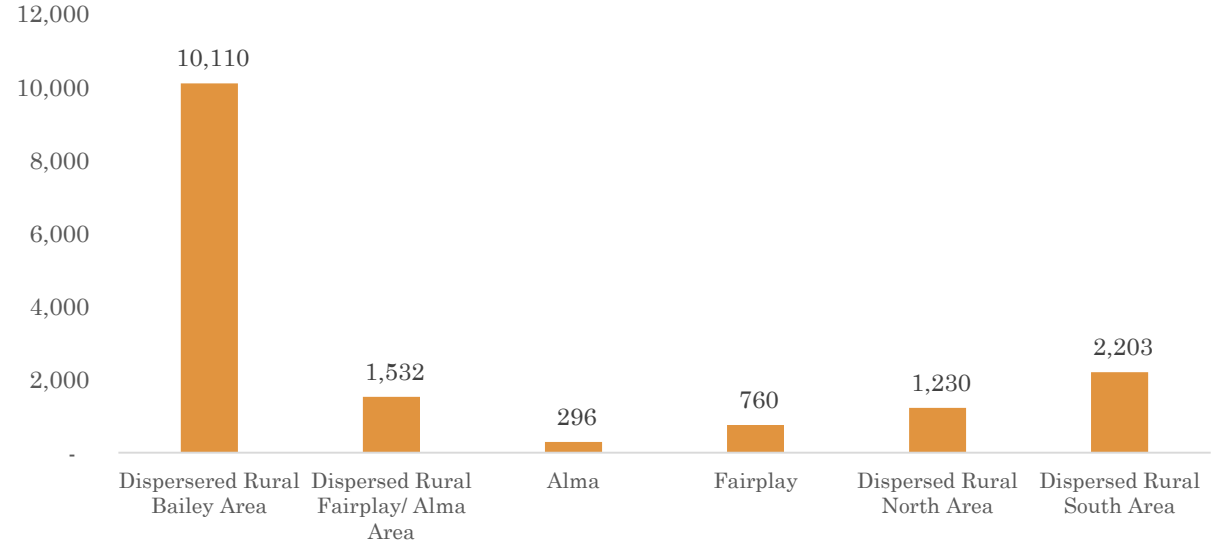
Figure 2 – Population Growth 1980-2013



Source: Colorado Department of Local Affairs

Using the US Census Bureau's boundaries, 63% of Park County residents are located in the dispersed rural Bailey area. The rural Bailey area appeals to people who want to work in the Denver Metro Area and live in a more rural and natural environment. Bailey is close enough to Denver to commute daily, but far enough away that it still maintains its rural character. The two municipalities in Park County, Alma and Fairplay, together make up 7% of the total population. The remaining 30% of the population is located in the dispersed rural north area, dispersed rural south area, and dispersed rural Fairplay/Alma area.

Figure 3 – Total Population by Census Area 2013

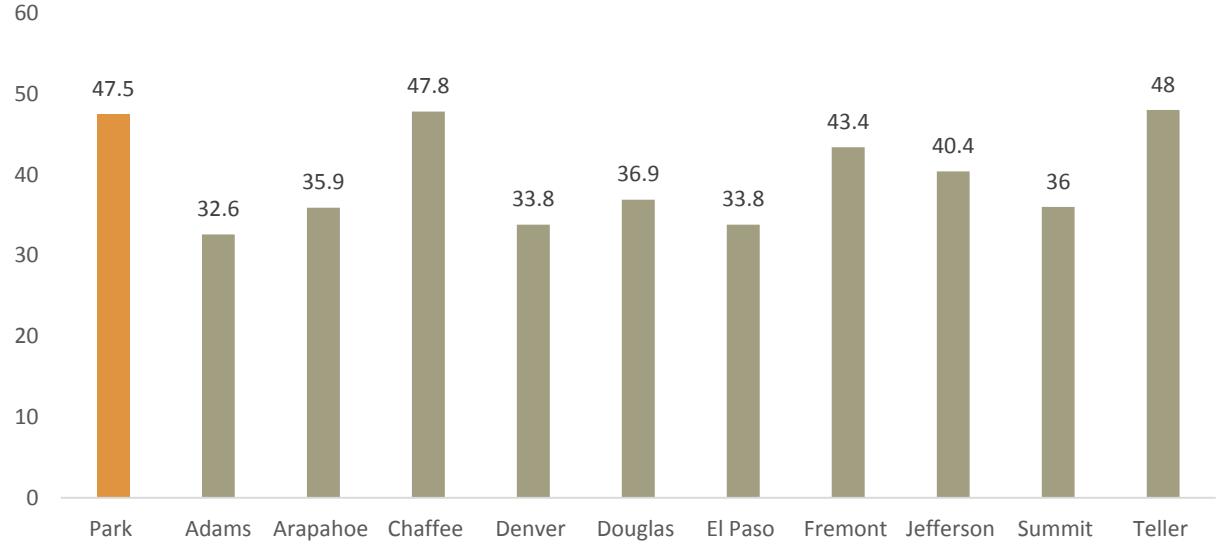


Source: US Census Bureau

DEMOGRAPHICS

The median age of residents in Park County is 47.5 years. This is higher than all nearby counties with the exceptions of Chaffee and Teller Counties. Park County's high median age is due in part to the large population of retired residents in the county. A couple of factors affect this high median age. The natural beauty and rural character of the county is appealing to people of all ages but there are few job opportunities in the county. Lack of employment opportunities is a disincentive to young people but is not an issue for someone already retired or who has an established income.

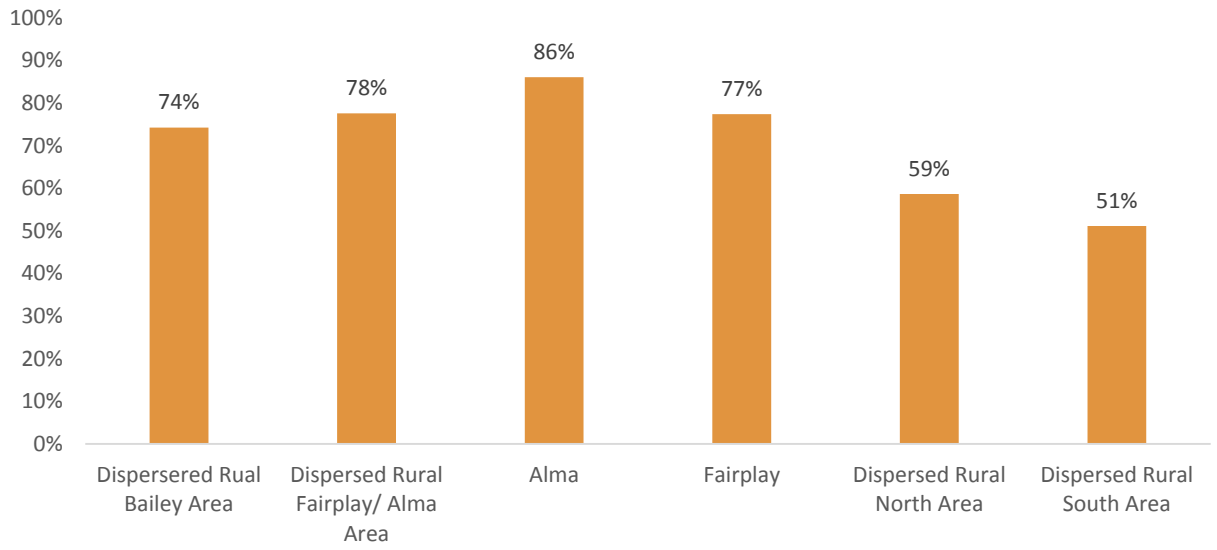
Figure 4 – Median Age by County – 2013



Source: US Census Bureau

The labor force includes all people employed and unemployed who are 18 years or older and eligible to work. The labor force participation rate represents the proportion of the total population who are in the labor force. The rural north and south areas have low participation rates with the lowest rate, 51%, in the rural south area. This is reflective of the high number of retirees in these areas. Alma has the highest labor participation rate with 86% of the population in the labor force.

Figure 5 – Labor Force Participation Rate by Census Area 2013



Source: US Census Bureau

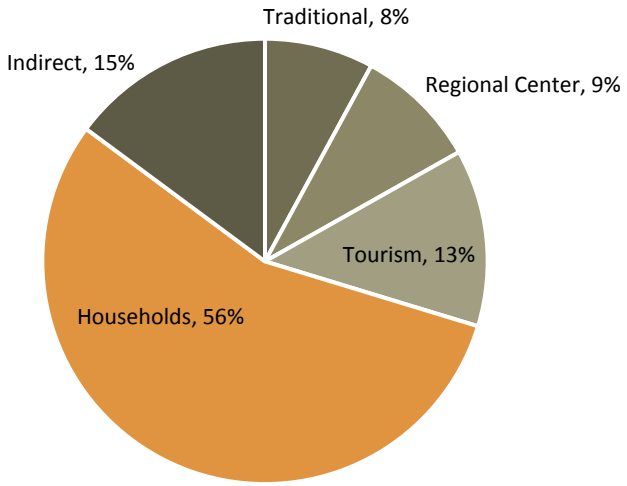
DOLA prepares an employment-base analysis for each county in Colorado, which examines the importance and impact of five economic sectors. The following is a summarization of the DOLA base analysis from DOLA:

"Economic base analysis which distinguishes those economic activities or incomes which are: a.) 'direct basic' (DB), i.e., produce exports or derive their sales or income from other outside sources including tourists or the Federal government, b.) 'indirect basic' (IB), i.e., provide supplies or business services to basic industries, and c.) non-basic worker-related local resident services."

Households in Park County are responsible for 56% of the county's employment. This is a result of activity related to commuters, retirees and other non-labor activity including public assistance, dividends/interest and rental payments. This means individuals commuting and earning money outside of Park County are responsible for half of the total economy. This is a strong indicator of Park County's position as a bedroom community for the Denver Metro Area, Colorado Springs and the tourist economies of Summit and Teller Counties.

The traditional sector accounts for 8% of employment and is predominantly from agriculture and ranching. Tourism activity is responsible for 13%, while regional centers account for 9% of employment. The remaining 15% of jobs are generated by demand for goods and services from local residents.

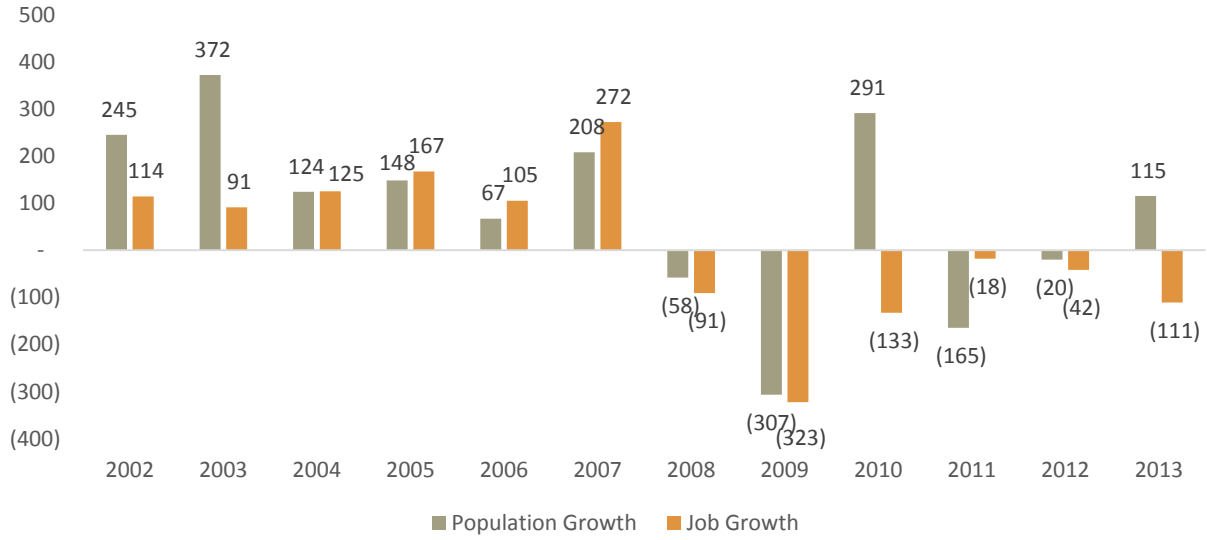
Figure 6 – Base Analysis Basic Jobs by Sector 2013



Source: Department of Local Affairs

The county saw an increase in both population and jobs year over year right up until the Great Recession hit and there was a large decline of both population and jobs. Since 2010 the county has shown improvement but has not fully recovered.

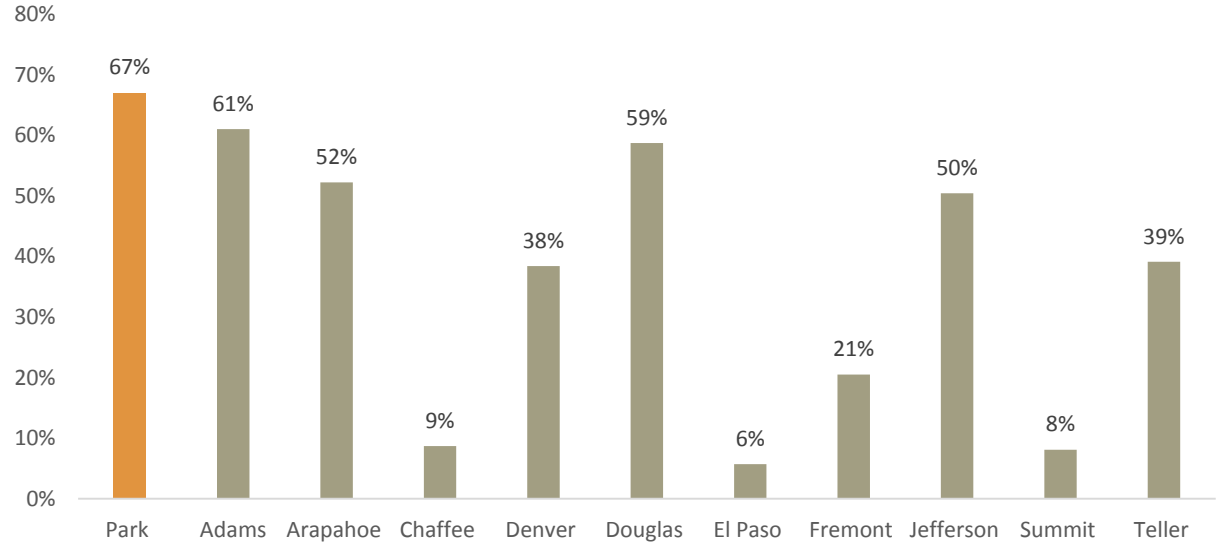
Figure 7 – Annual Added Population and Jobs from Year to Year 2002 - 2013



Source: Department of Local Affairs

When compared to nearby counties, Park County has the highest percentage of residents who work outside of the county with 67% of the population commuting to other counties for work. This is indicative of the disproportion between the low number of jobs in Park County and the high number of residents as discussed above. El Paso, Chaffee, and Summit Counties have very low percentages of residents working outside of their county of residence, indicating a more balanced job to population ratio.

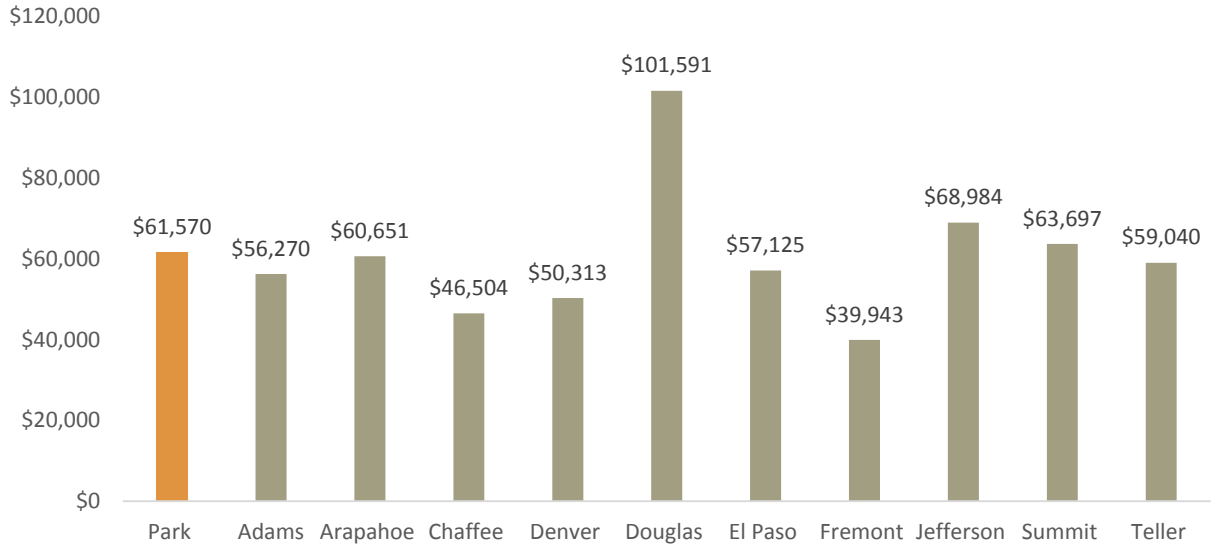
Figure 8 –Worked Outside of County of Residence 2013



Source: US Census Bureau

The median household income for Park County is $61,570, this is pretty on par with nearby counties. With its location near employment centers in the Front Range, Teller and Summit Counties, many Park County residents commute to work in surrounding counties, making their income elsewhere. Douglas County has a much higher median household income than all the other counties indicating a large number of residents are high paid professionals.

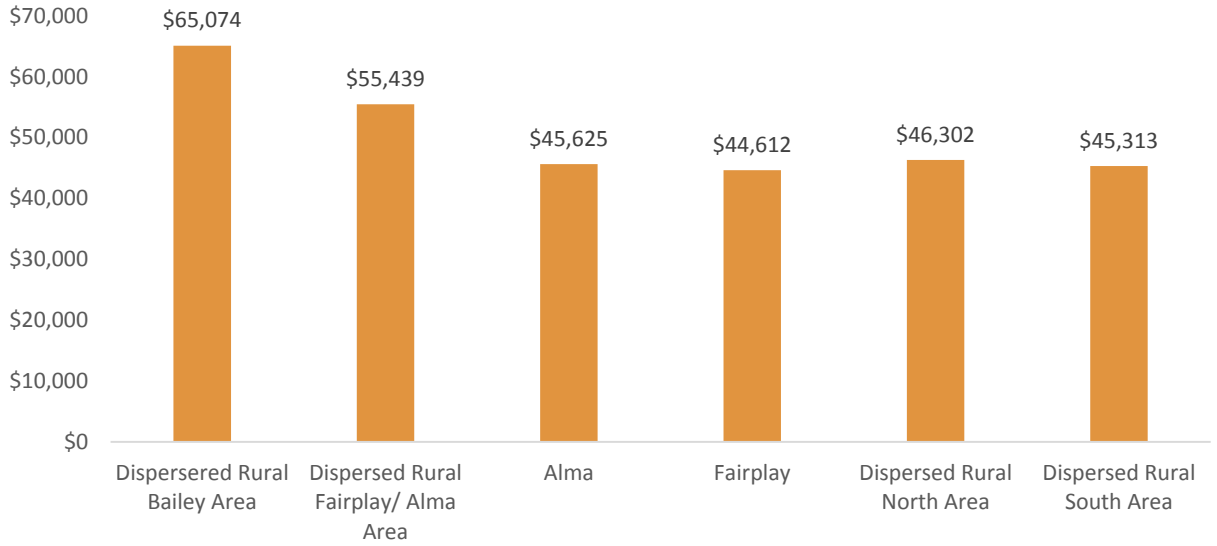
Figure 9 – Median Household Income 2013



Source: US Census Bureau

The median household income varies throughout the geographic areas in the county. The rural Bailey area's median household income is $65,074 and the household income in the rural south is $45,313. This differentiation is tied to a number of factors. A large percentage of the population in the dispersed rural Bailey area commute to the Front Range for employment causing their incomes to be closely aligned with those of the Front Range. The rural south has a large number of retirees and only 51% of the population in the labor force. Retirees typically have smaller household incomes than those who are employed.

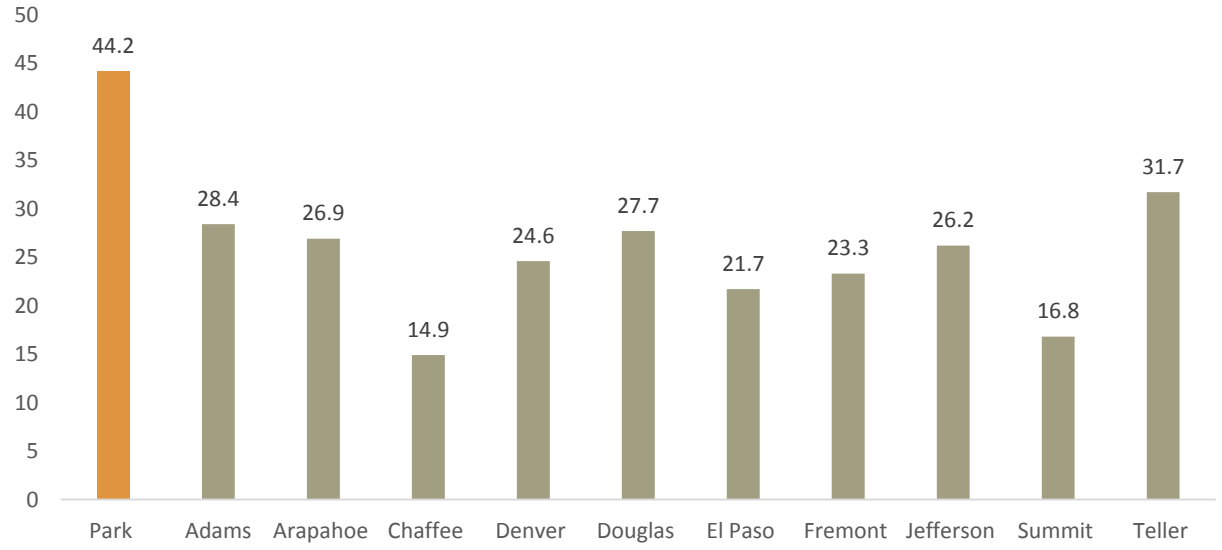
Figure X – Median Household Income by Census Area 2013



Source: US Census Bureau

The average travel time to work for Park County residents is much higher than nearby counties. On average Park County residents commute 44 minutes. This is largely attributed to the limited number of jobs in the county and the high number of residents whose jobs are located in neighboring counties.

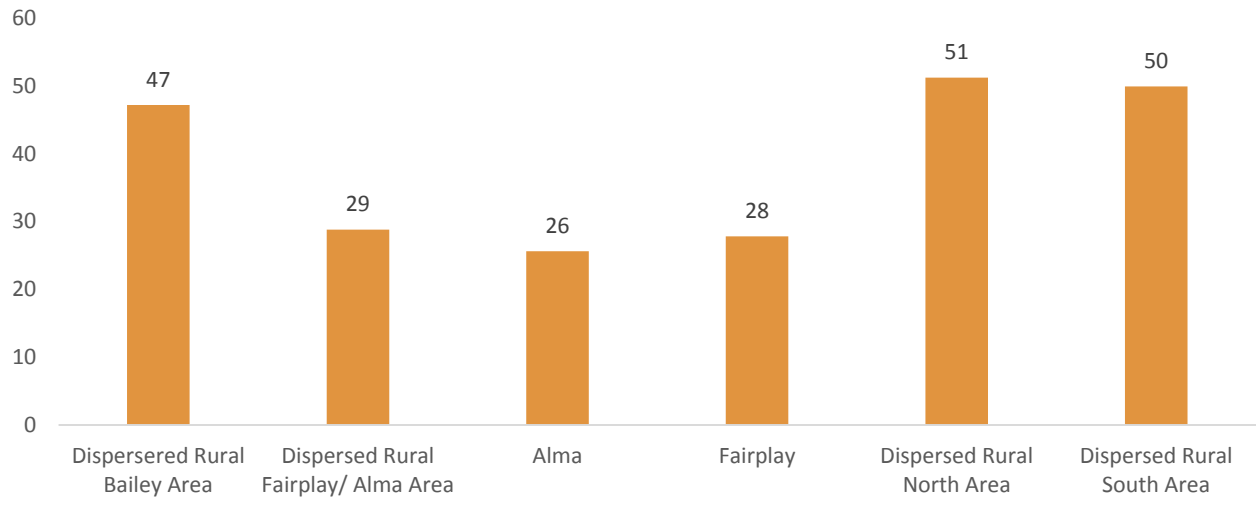
Figure 10 – Mean Travel Time (Minutes) 2013



Source: US Census Bureau

Within Park County the average travel time varies. Alma has the shortest commute time of 26 minutes followed by Fairplay with 28 minutes showing more jobs located in the two municipalities and in Summit County and fewer people commuting long distances. The rural Bailey area has an average commute time of 47 minutes. This commute time is mostly due to residents driving to jobs in the Front Range. The rural south area has an average travel time of 50 minutes and the rural north area has an average travel time of 51 minutes. These two areas of Park County have the longest commute times. The long commutes are linked to jobs located in nearby counties with employment centers located in in El Paso County and in the gaming industry in Cripple Creek.

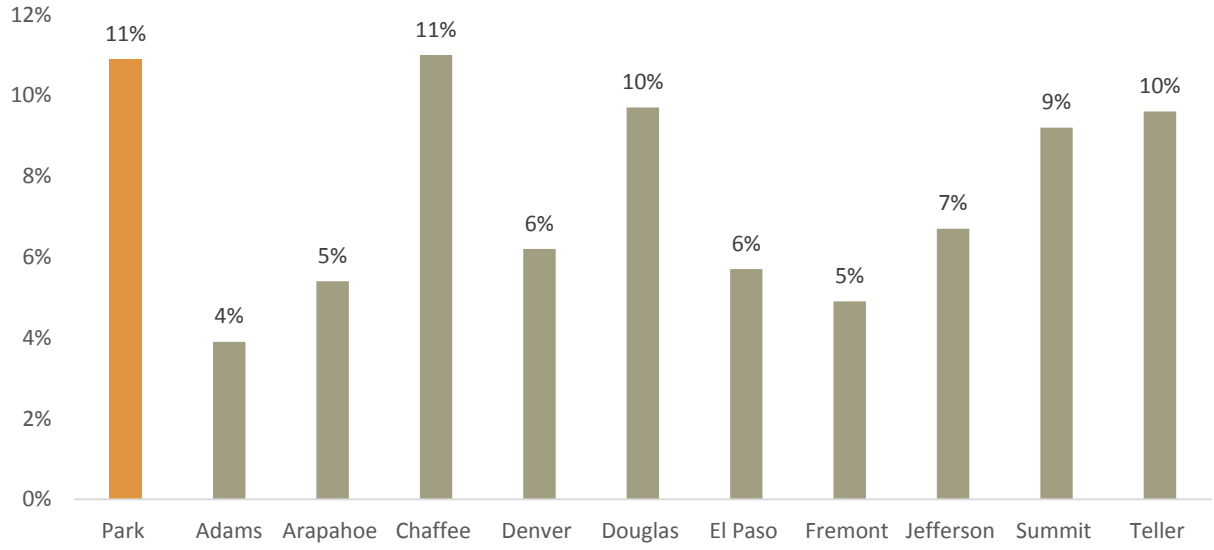
Figure 11 – Mean Travel Time (Minutes) by Census Area 2013



Source: US Census Bureau

Park County has 11% of the population working from home. This number includes people providing services and products locally such as attorneys, professionals, massage therapists, as well as a growing number of location neutral businesses allowing people to work from their home in Park County via the internet to provide services nationally and sometimes even internationally. The beauty and natural environment of Park County appeals to this population of home workers. Better internet and cell service throughout the county would allow more people to work from home.

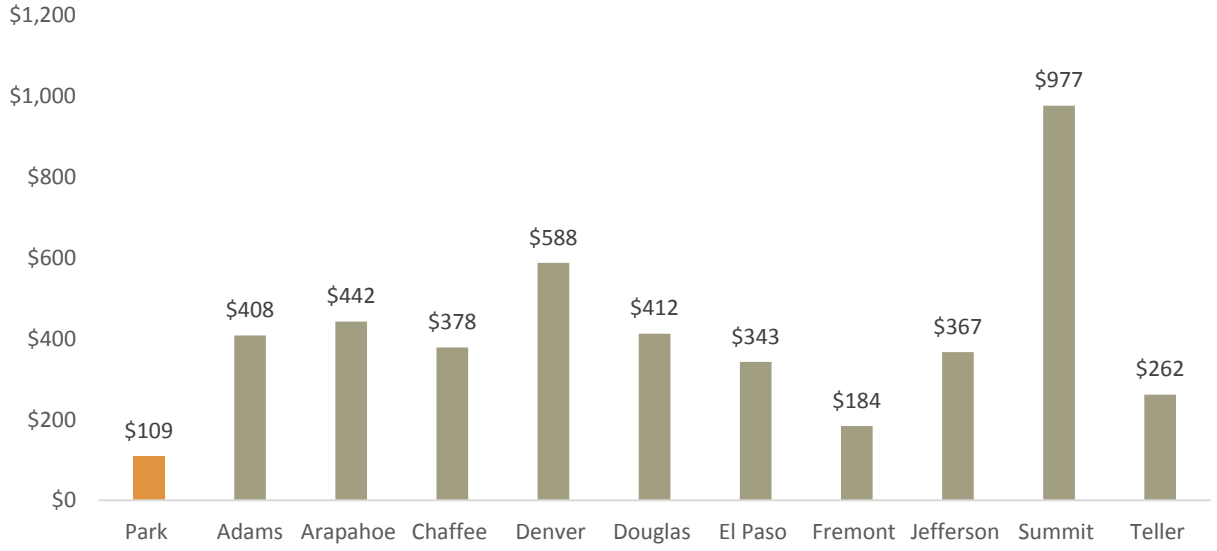
Figure 12 – Percentage of Population Working from Home 2013



Source: US Census Bureau

The state sales tax in Colorado is 2.9%. Park County has a state sales tax collection of $109 per capita. This is lower than all surrounding counties. This represents the limited commercial development located in the county as well as the fact that many residents commute out of the county to work and tend to purchase items such as groceries and clothing near their place of work instead of near their homes. The high state sales tax revenues per capita in Summit County are indicative of its nature as a resort area for day trips originating in the Front Range.

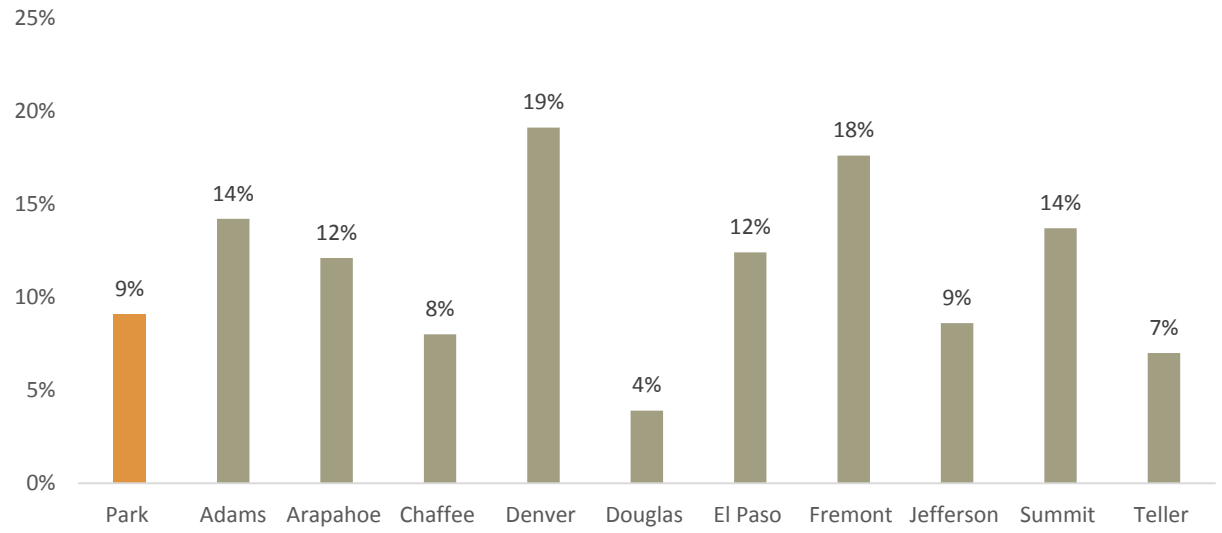
Figure 13 – State Sales Tax Per Capita 2013



Source: Colorado Department of Revenue

Every year the Census Bureau produces an official measure of poverty based on cash resources. The poverty threshold, or poverty line, is the minimum level of resources that are adequate to meet basic needs. This is measured at three times the cost of a minimum diet from 1963 using today's prices. Park County's poverty rate is on the low end with 9% of the population living below the poverty level. Denver and Fremont Counties have the highest poverty rate with 19% and 18%, respectively, living below the poverty level. Douglas County has the lowest poverty rate at 4%. The high median household income of $101,591 in Douglas is reflective of the low poverty rates in the county.

Figure 14 – Percentage of Population Living Below Poverty Level – 2013

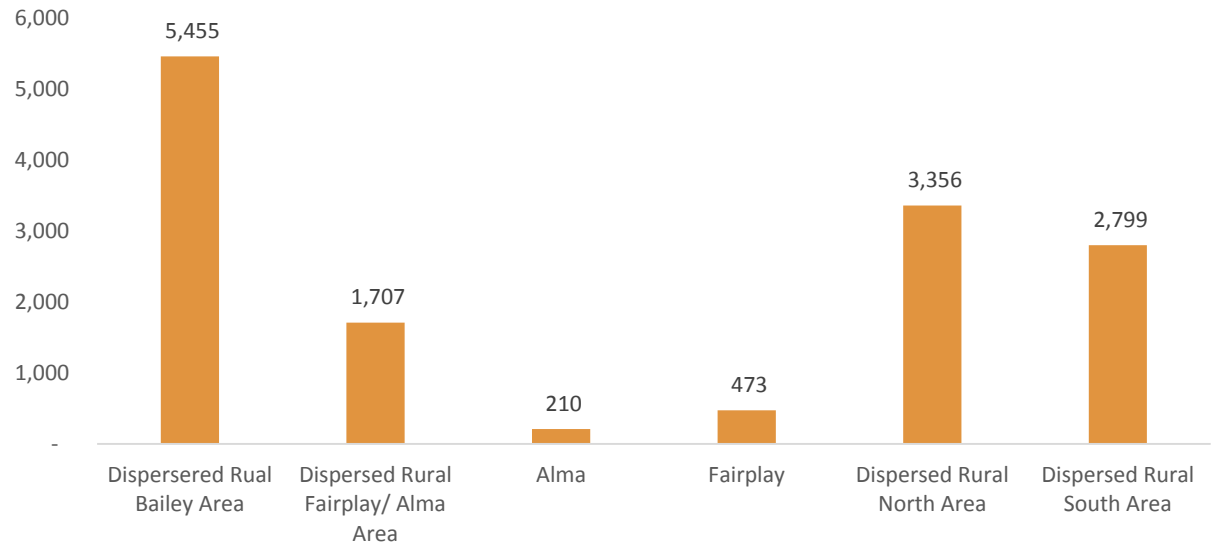


Source: US Census Bureau

HOUSING

There are a total of 14,000 housing units in the county. There are more housing units in the rural Bailey area, 39% of total housing units, than in any of the other census areas. Fairplay and Alma combined have just under 5% of the total housing units. Although housing units follow a similar geographic pattern to the population, they are not always proportionate. In Fairplay, Alma and the rural Bailey area the population is higher than the number of housing units because there are less vacation homes in these areas. In the dispersed rural Fairplay/Alma, north, and south areas there are more housing units than there are people because there are more vacation homes and/or vacant homes.

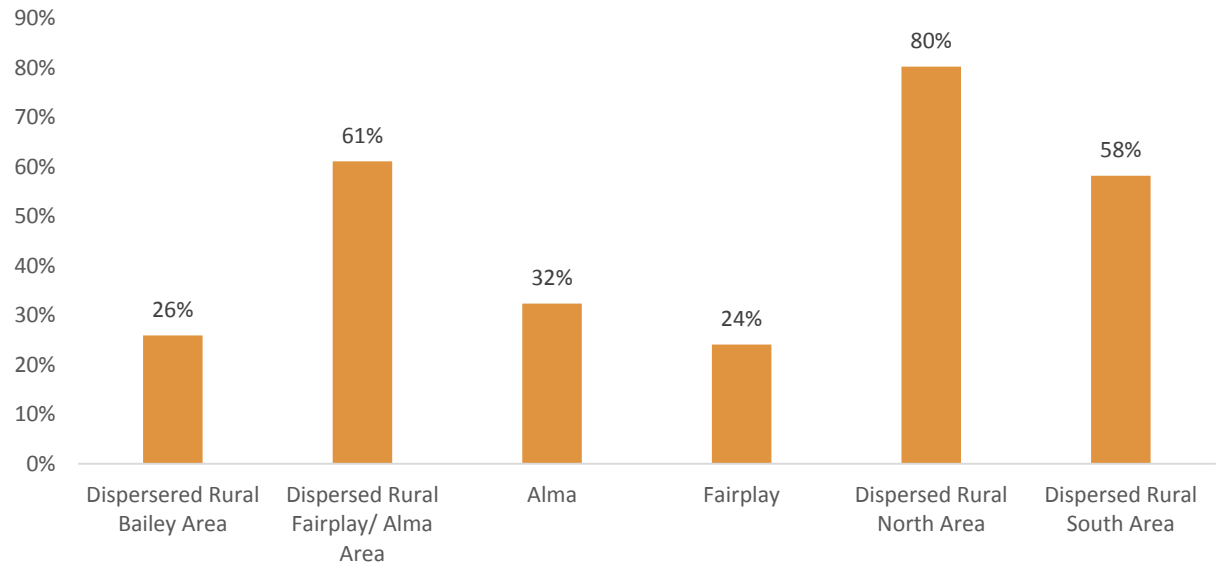
Figure 15 –Total Housing Units by Census Area 2013



Source: US Census Bureau

With a total of 14,000 housing units in the county, 50% are vacant. The census counts unoccupied homes, seasonal second homes, and any home that is not listed as a primary residence as a vacant home. The high vacancy rate is directly related to the population/housing unit ratio. The housing vacancy rate is lower in areas where the population is higher than the number of housing units, which is the case in Fairplay, Alma and the rural Bailey area. In each of these three areas the housing vacancy rate is lower than 35%. In the areas with more housing units than population, the vacancy rate is higher as is the case in the rural Fairplay/Alma, north and south areas. The highest vacancy rate is in the dispersed rural north area where the population is 1,230 and the number of housing units is 3,356 causing an 80% vacancy rate. Excluding Fairplay and Alma, the area south of Kenosha Pass has a large number of vacant homes located in remote areas off county roads and far away from jobs. These homes are appealing as summer cabins and vacation units, but are less appealing as fulltime residences because commute times to jobs are long.

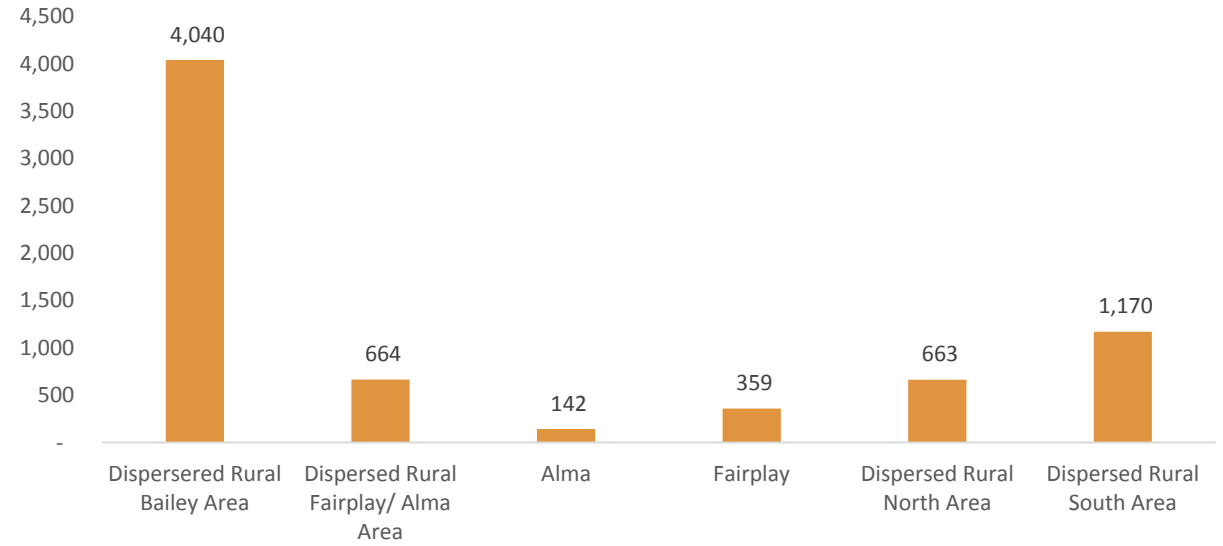
Figure 16 –Housing Vacancy Rate by Census Area – 2013



Source: US Census Bureau

There are a total of 7,038 households in the county. 57% or 4,040 households are located in the dispersed rural Bailey area which is in line with where the population is located throughout the county. 7% of households are located within the two municipalities and the remaining 36% are dispersed throughout the rural north, south, and Fairplay/Alma areas.

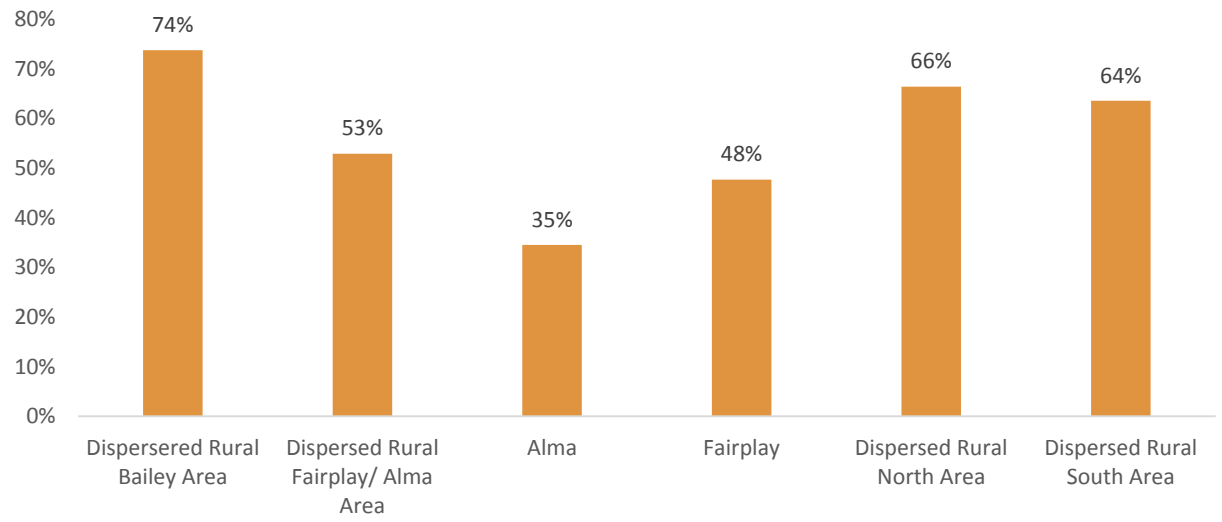
Figure 17 –Total Households by Census Area – 2013



Source: US Census Bureau

The US Census calculates two types of households, family households and nonfamily households. Family households consist of two or more related people living together, nonfamily households consist of one or more nonrelated individuals living together. The rural Bailey area has the highest percentage of family households with 74%. Alma and Fairplay have the lowest percentage of family households with 35% and 48% respectively. This shows a higher number of single person and roommate occupied homes in the two municipalities than anywhere else in the county.

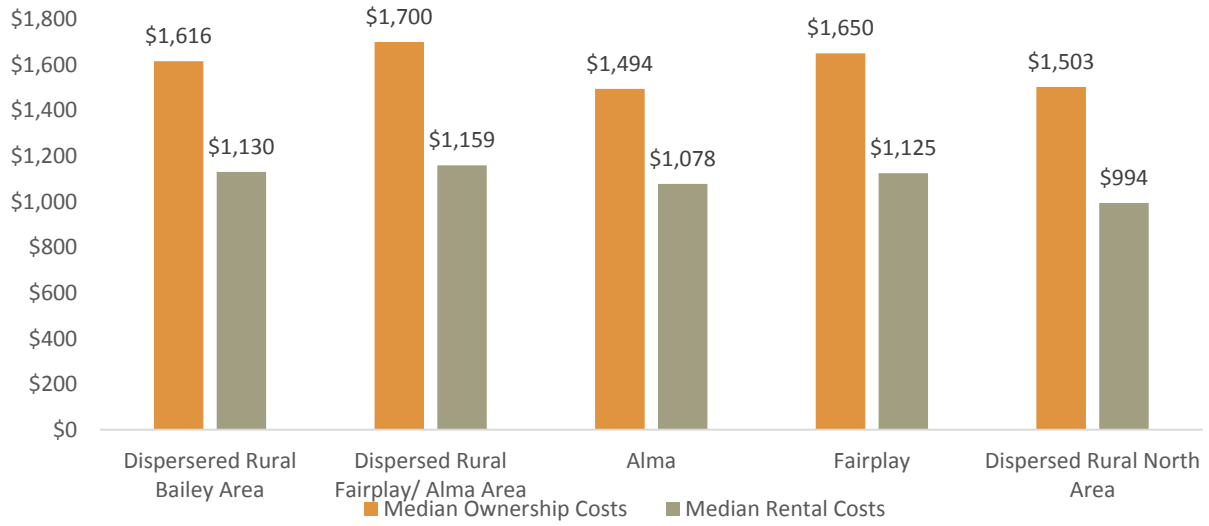
Figure 18 –Percentage of Family Households by Census Area – 2013



Source: US Census Bureau

Countywide it is cheaper to rent than own. The highest ownership costs are in the rural Fairplay Alma area with median ownerships costs of $1,700, this is $541 more than the median rental costs for the same area. The lowest median rental costs of $994 are found in the rural north. The lowest ownership costs are located in the town of Alma at $1,494.

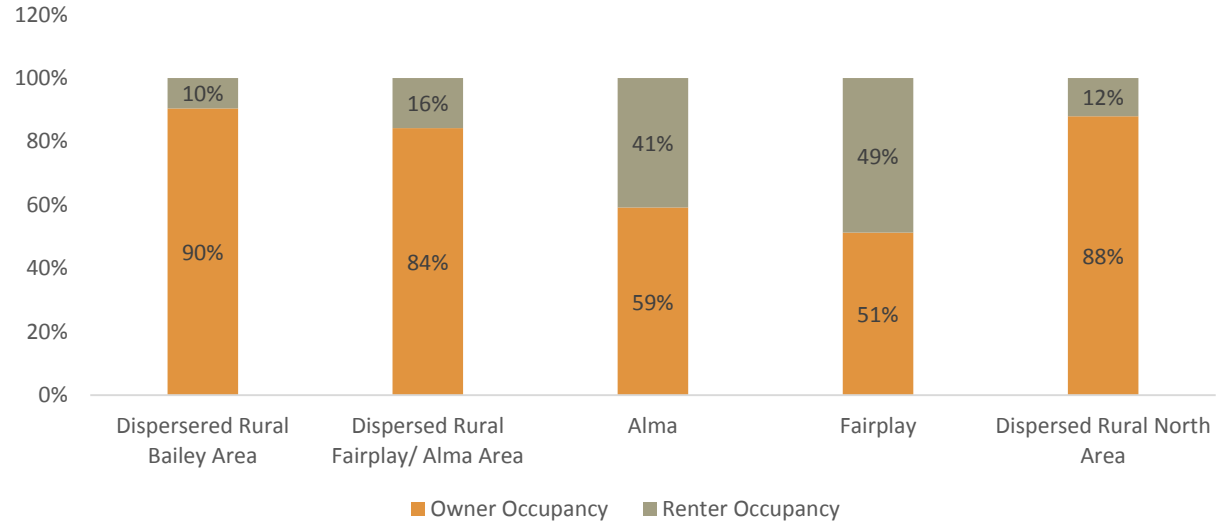
Figure 19 – Median Ownership and Rental Costs by Census Area – 2013



Source: US Census Bureau

Throughout the county, more housing units are owner occupied than renter occupied. In the dispersed rural areas of the county the percentage of owner occupied housing units is quite high. The rural Bailey area has the highest rate with 90% owner occupied followed closely by 88% owner occupancy in the rural north area and 84% in the rural Fairplay/Alma area. In the two municipalities the occupancy rates are more evenly split between owner and renter with 51% of housing units in Fairplay owner occupied and 59% owner occupied in Alma.

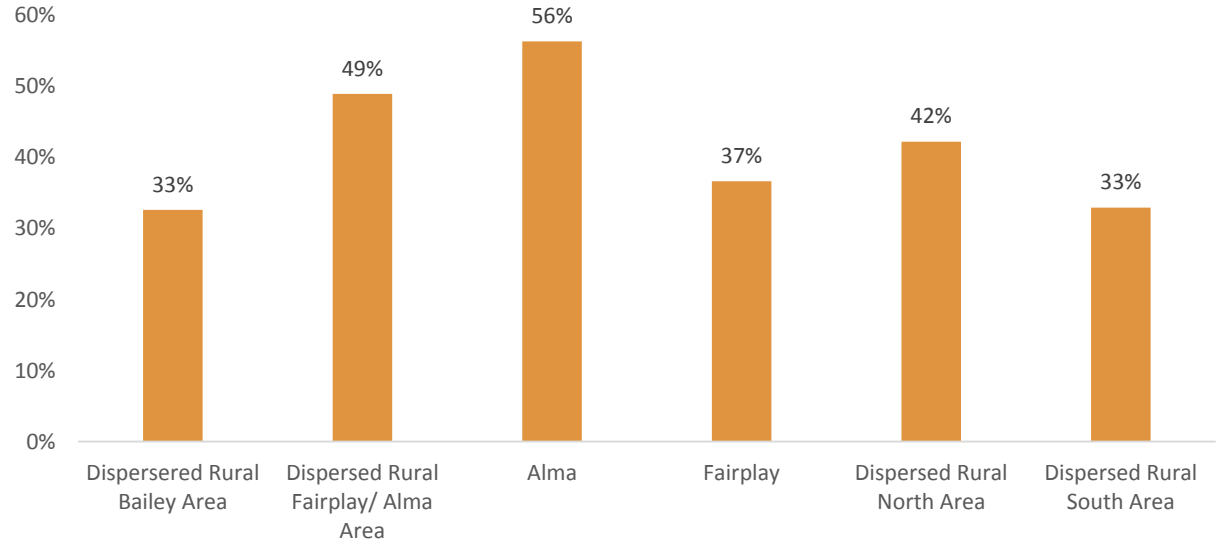
Figure 20 – Housing Tenure by Census Area – 2013



Source: US Census Bureau

Housing costs can be a burden on a household if they are high in relation to household income. HUD defines a household as being "cost-burdened" if rent or mortgage payments combined with utility payments exceed 30% of the household income. Alma has the highest number of cost-burdened households with 56% followed by the rural Fairplay/Alma area with 49%. This is tied to high costs and lower incomes. The dispersed rural Bailey area has high housing costs but also has the highest median income in the county making its percentage of cost-burdened households 33%, much lower than the town of Alma and the rural Fairplay/Alma area.

Figure 21 – Percentage of Households Paying 30% or More of Income on Housing Payments by Census Area – 2013

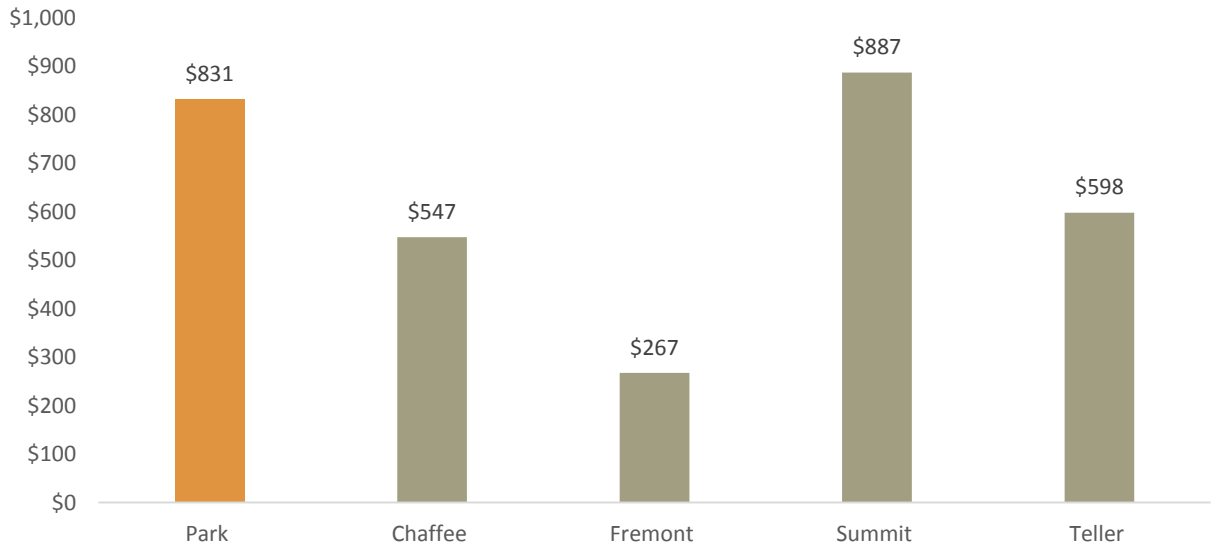


Source: US Census Bureau

COUNTY FINANCIAL LEVEL OF SERVICE COMPARISON

The county received $831 per capita into the general fund in 2013. The general fund revenues per capita of Park County and Summit County are very close with Summit County collecting only $56 more per capita than Park County. Fremont County has the lowest general fund per capita revenues with a collection of $267 per capita.

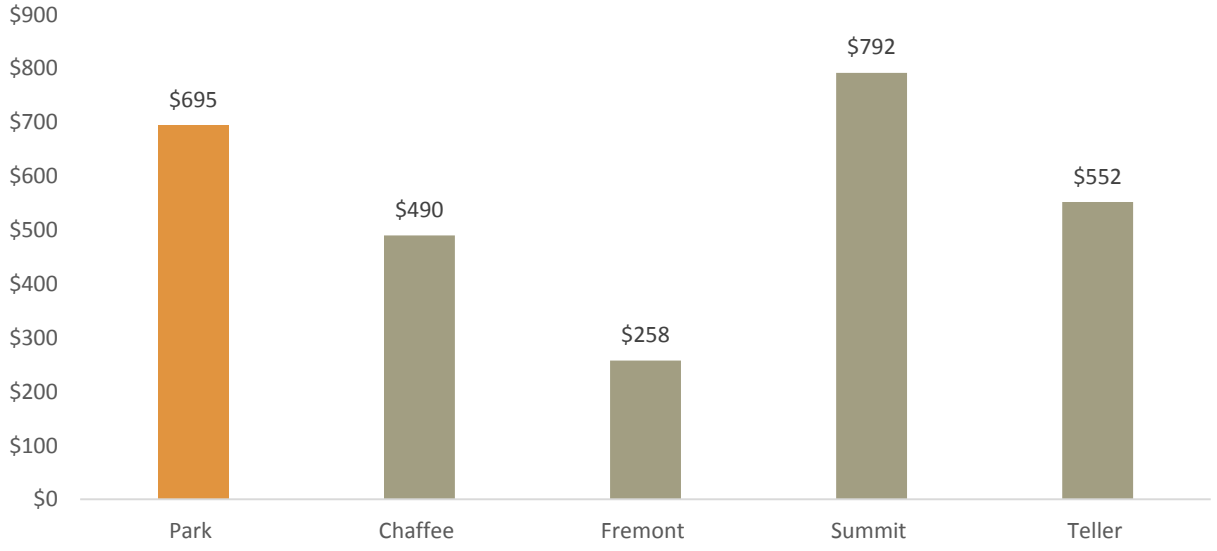
Figure 22 – General Fund Per Capita Revenues – 2013



Source: County Financial Audits - 2013

Park County general fund per capita expenditures for 2013 totaled $695. This is right in between Summit County's expenditures of $792 and Teller County's expenditures of $552.

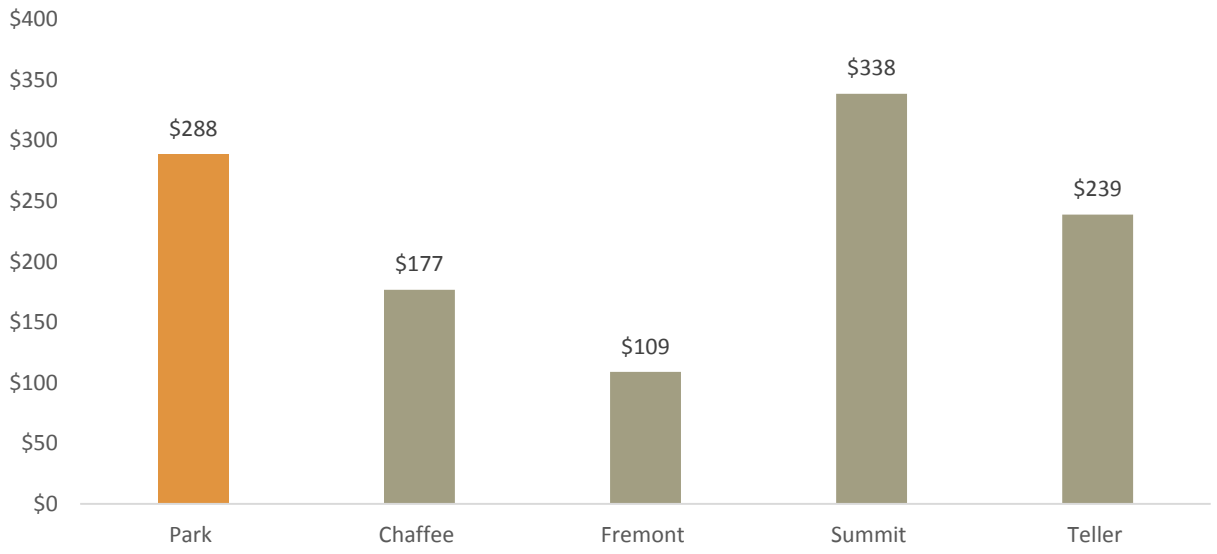
Figure 23 – General Fund Per Capita Expenditures – 2013



Source: County Financial Audits - 2013

General government expenditures, including staff salaries, facilities, court services, and health services, totaled $695 per capita in 2013. This is about $100 less than Summit and $150 more than Teller County spends on general government. When compared to nearby counties Park County offers a high level of general government services.

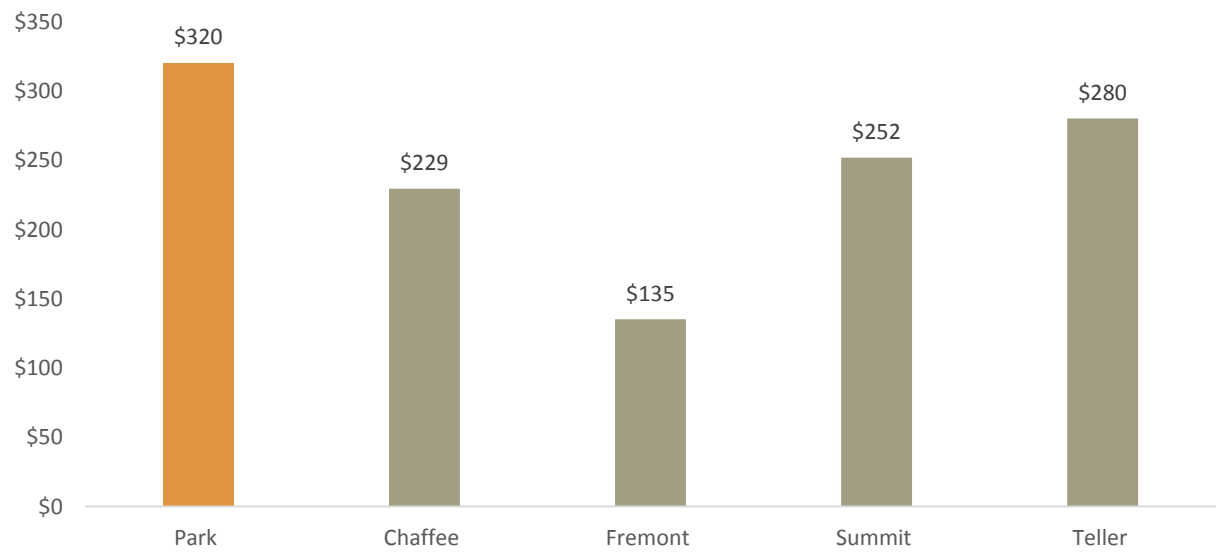
Figure 24 – General Government Per Capita Expenditures – 2013



Source: County Financial Audits - 2013

With per capita public safety expenditures of $320, Park County spends more per capita to provide public safety services than Chaffee, Fremont, Summit and Teller Counties. Though this number is higher than the other counties, it does not mean a higher level of service is provided. It does reflect that public services cost more in Park County. With 2,193 square miles of land, Park County is larger than all surrounding counties. The second largest county by land area is Fremont with 1,533 square miles, Summit County is 608 square miles and Teller County is the smallest with only 557 square miles. Park County also has the lowest population density with 7 people per square mile. Summit County has the highest density with 46 people per square mile. Because of the sheer size of Park County and its rural dispersed population, it costs more to provide public safety, public works, and road and bridge services to its residents.

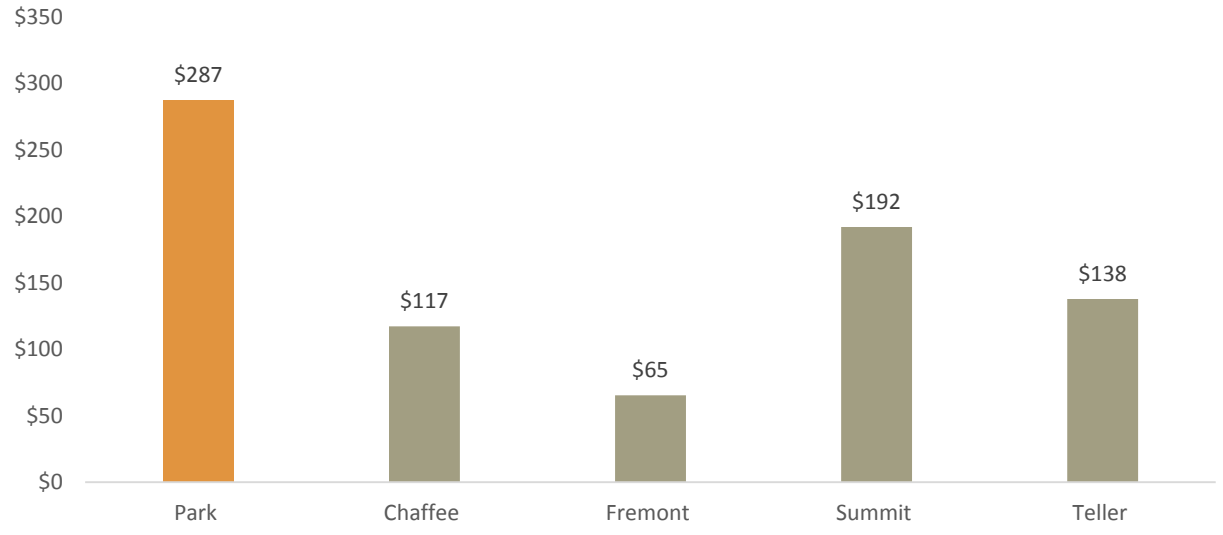
Figure 25 – Public Safety Per Capita Expenditures – 2013



Source: County Financial Audits – 2013

As with public safety expenditures, Park County spends more on public works and road and bridge than all other counties. With the $287 per person spent on public works and road and bridge, Park County must provide services such as road grading and drainage maintenance to nearly four times the land mass as Teller County. There are over 1200 miles of county roads in Park County and with such a dispersed population it makes providing basic maintenance and improvements more costly per capita.

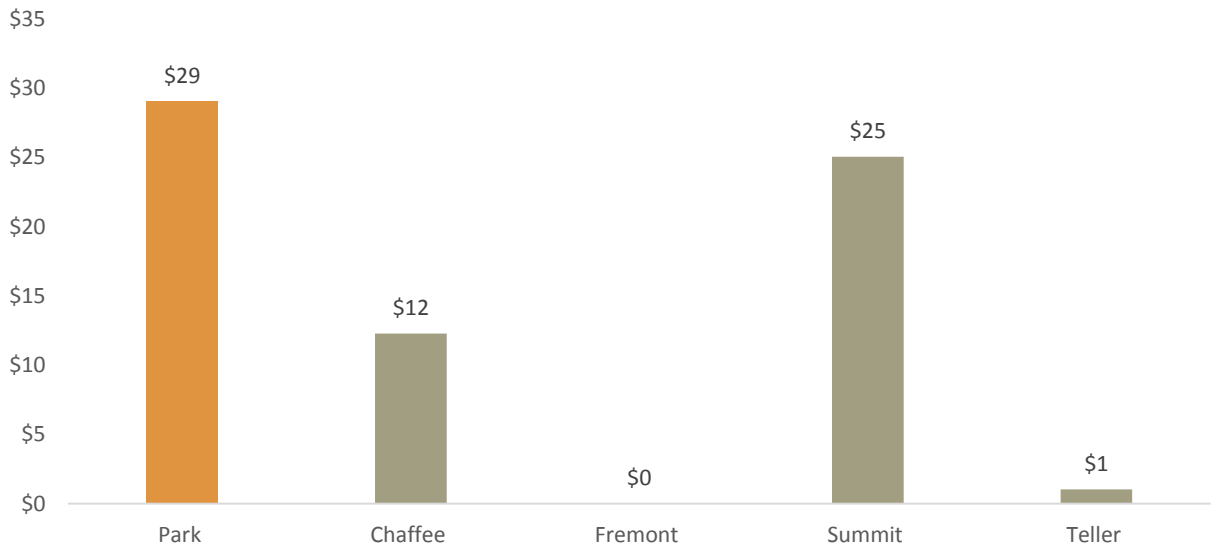
Figure 26 – Public Works/Road and Bridge Per Capita Expenditures – 2013



Source: County Financial Audits – 2013

Park County spent $29 per capita on culture, recreation and open space, more than any other county, Fremont County spends nothing, while Teller County spends only $1 per capita. Park County's high expenditures for culture, recreation and open space are largely attributed to historic preservation efforts and the Land & Water Trust Fund. The county also spends money on the fairgrounds, parks and facilities. The county has nationally renowned historic resources and has made great efforts to fund preservation projects to protect the unique history of the area.

Figure 27 – Culture/Recreation/Open Space Per Capita Expenditures – 2013



Source: County Financial Audits – 2013

SUMMARY OF FINDINGS AND CONCLUSION

Park County's high median age of 47.5 years old is closely related to the economy. Retirees have no need to consider employment opportunities when deciding where to live and thus are able to move to a location like Park County for its environment rather than its economy. Young families and people who need to be in the workforce do not have this ability, they go where jobs are, and the jobs are not in Park County. Currently 67% of county residents commute outside the county for work and the average commute time is 44 minutes. The housing unit vacancy rate of 50% in the county is also linked with economic conditions in Park County. Most of the housing units listed as vacant are second/vacation homes and unused houses that were originally built as vacation homes. Many are located in remote locations spread throughout the county. These houses can be ideal for someone looking for a vacation, but are very difficult to occupy fulltime. They are far from jobs and other services such as schools, and this deters young people and families from buying a home.

Park County strives to provide a high level of service to its residents, but struggles to accomplish this. With such a large county it costs more per capita to provide road maintenance, emergency services and law enforcement than neighboring counties. Increasing commercial development in the county even a little, will positively impact the county by providing jobs and sales tax revenues. Building a more robust economy in Park County will encourage more young people and families to move into the county and increase county revenues allowing the county to improve the level of service provided.