

Executive Summary

The City of Central (Central City) is a well-known gaming tourist destination just west of Denver in the Rocky Mountains. Though the population is just under 800 residents, it sees over 85,000 visitors yearly to visit the local casinos and heritage arts destinations in the town. As the gaming industry accounts for 90% of the sales tax, the city sees a need for economic diversification and has adopted the Trails Master Plan, which outlines a proposed trail system within the city that would not only connect residents to downtown, but also to the larger regional trail system in the area. One of the three priority projects in the plan is the Stairway to Heaven, which would connect the Gold Mountain Village (a 168-unit apartment complex) and the Central City KOA campground to downtown through a developed trail and timber staircase.

The methodology for this project started with background research and a literature review. Relevant information from local and state plans that outline the city's desire to diversify their economy and enter into the outdoor recreation industry are included in multiple plans and bolster the argument of trail construction. Relevant takeaways from existing literature of economic impact reports and trail user surveys are that often outdoor recreation retail follows trail construction and marketing, that real estate value rises as amenities such as trails are built (both in the case of rural and urban connections), and counties that have a higher rate of recreation (which can be considered outdoor recreation or other entertainment industries) have higher than average incomes than other counties without these industries.

Case studies were an important part of the analysis in this report. Example trails and funding mechanisms from Whitefish, Montana, Mesa County, Colorado, Cañon City, Colorado, Pennsylvania, and Vermont were all included to present the economic impact case. The numbers from these reports and case studies were used to help present the final predictive economic impact for Central City's proposed Stairway to Heaven and trail system.

After analyzing relevant plans, literature on the subject, and case studies, the predictive economic impact report is then presented in three alternatives. The first is a modest scenario that only analyzes the Stairway to Heaven trail and assumes modest rates of walking from the population centers in the area, and conclusively came to a yearly economic impact of \$190,534. The second scenario presented a higher rate of commuting that is similar to an urban downtown and doubled the rate of walking from visitors in the area. This estimate came to be \$380,184. The final alternative presents a high rate of tourism, a full build out of the proposed trails in the Trails Master Plan, and visitors going to Central City solely for the outdoor recreation opportunities. This alternative predicted the generative economic impact to be \$4,059,384.

This predictive economic analysis is meant to help Central City determine if there is sufficient economic justification for building a trail system and not meant to replace a trail user survey and complete economic impact report after trail construction. Next steps are presented in

this report and an example trail user survey is included as an asset to the City in preparation for the construction of the Stairway to Heaven trail.

Stairway to Heaven

Predictive Economic Impact



- Central City wants to:**
- diversify their economy
 - build a new trail system
 - attract new demographics

Utilizing case studies and literature, the Stairway to Heaven trail will bring

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2

3

\$190,534

\$380,184

\$4,059,384

in direct economic impact