

From: Bowman, Randal
To: [Benjamin Simon](#); [Ann Miller](#); [Stern, Adam](#); [Christian Crowley](#); [Sarah Cline](#)
Subject: Fwd: National Monument Review - Comments on 8 Draft Economic Reports
Date: Friday, July 21, 2017 4:09:59 PM
Attachments: [Bears Ears Economic Report - BLM reviewed final.docx](#)
[Canyons of the Ancients Economic Report - BLM reviewed final.docx](#)
[Carrizo Plain Economic Report - BLM reviewed final.docx](#)
[GrandCanyonParashant Economic Report - BLM reviewed final.docx](#)
[GrandStaircaseEscalante Economic Report - BLM reviewed final.docx](#)
[Ironwood Forest Economic Report - BLM reviewed final.docx](#)
[Mojave Trails Economic Report - BLM reviewed final.docx](#)
[Sonoran Desert Economic Report - BLM reviewed final.docx](#)
[Vermilion Cliffs Economic Report - BLM reviewed final.docx](#)

Here are BLM comments on a number of the draft economic reports

----- Forwarded message -----

From: **Moore, Nikki** <nmoore@blm.gov>
Date: Fri, Jul 21, 2017 at 4:51 PM
Subject: National Monument Review - Comments on 8 Draft Economic Reports
To: "Bowman, Randal" <randal_bowman@ios.doi.gov>
Cc: Kenneth Mahoney <kmahoney@blm.gov>, "Ginn, Allison" <aginn@blm.gov>, Chad Schneckenburger <cschneckenburger@blm.gov>, "Sintetos, Michael" <msintetos@blm.gov>, "Fisher, Timothy" <tjfisher@blm.gov>, Christopher McAlear <cmcalear@blm.gov>, Mara Alexander <malexander@blm.gov>, Rachel Wootton <rwootton@blm.gov>, Kathleen Benedetto <kathleen_benedetto@ios.doi.gov>, Michael Nedd <mnedd@blm.gov>, Kristin Bail <kbail@blm.gov>, Timothy Spisak <tspisak@blm.gov>, "Moody, Aaron" <aaron.moody@sol.doi.gov>, "Mali, Peter" <pmali@blm.gov>, Matthew Allen <mrallen@blm.gov>, Raymond M Suazo <rmsuazo@blm.gov>, "Perez, Jerome" <jperez@blm.gov>, Edwin Roberson <eroberso@blm.gov>, John Ruhs <jruhs@blm.gov>

Hi Randy,

The BLM has reviewed the draft Department of Interior economic reports for the eight BLM managed or co-managed National Monuments currently under review (Grand Canyon-Parashant, Grand Staircase-Escalante, Sonoran Desert, Ironwood Forest, Canyons of the Ancients, Carrizo Plain, Mojave Trails, and Vermilion Cliffs). Our suggested edits are compiled and provided in comments and track changes within the attachments. We also had some additional edits on the Bears Ears draft economic report which I've attached.

We really appreciate the opportunity to review and provide feedback on these reports,

Nikki Moore
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National Conservation Lands and Community Partnerships
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Bears Ears National Monument

Economic Values and Economic Contributions



Bears Ears
National
Monument

Introduction

The purpose of this paper is to provide information on the economic values and economic contributions of the activities and resources associated with Bears Ears National Monument (BENM) as well as to provide a brief economic profile of San Juan County.¹

Background

The Bears Ears National Monument encompasses 1.35 million acres of land in San Juan County, UT and was established in 2016 for the purposes of protecting lands that contained cultural, prehistoric, historic, geologic, and scientific resources, including objects of archaeological significance. Prior to establishment of the Monument, all lands within the Monument boundaries were Federal lands managed by BLM (Monticello Field Office) and the USFS (Manti-La Sal National Forest), with the exception of about 100,000 acres of land owned by the State of Utah (managed by the Utah School and Institutional Trust Lands Administration (SITLA)) and smaller private parcels.² Of the BLM and Forest Service acreage, 57% was managed with some level of protective designation under the existing land use plans as Natural Areas, Areas of Critical Environmental Concern, and Special Recreation Management Areas; or as designated Wilderness Study Areas. There have been several previous proposals to protect land in the Bears Ears area.³

A management plan for the Monument has not yet been drafted. Development of a management plan is anticipated to require 5 years and involve extensive public involvement.⁴ The Presidential proclamation established the Bears Ears Commission, consisting of one elected official each from five different tribes (Hopi Tribe, Navajo Nation, Ute Mountain Ute Tribe, Ute Indian Tribe of the Uintah Ouray, and Zuni

Bears Ears National Monument

Location: San Juan County, UT

Managing agencies: BLM, USFS

Adjacent cities/counties/reservations:

- Counties: San Juan County, UT
- Reservations: Navajo Nation
- Cities: Bluff, UT; Blanding, UT; Monticello, UT; Navajo Nation Reservation

Comment [GAL1]: Defer to WO on capitalization- but it is my understanding that we do not capitalize unless it is a proper name. In any case, please ensure consistency in the capitalization

¹ The BLM and Forest Service provided data used in this paper.

² SITLA serves as fiduciary of Utah's 3.4 million acres of trust lands, parcels of land held in trust to support 12 state institutions, primarily the K-12 public education system. SITLA is constitutionally mandated to generate revenue from trust lands to build and grow permanent endowments for these institutions. Utah's public school system is the largest beneficiary, holding 96% of all Utah trust lands. Economic activities occurring on SITLA land in the area are similar to those on adjacent Federal land, including visitation to prominent cultural resource sites and livestock grazing. Different rules apply to grazing on SITLA land versus Federal land, such as allowing SITLA to post expiring permits on the agency's website, establish 15 years as the maximum length for grazing permits, and set a fee of \$10/Animal Unit Month (AUM) when permits are assigned. The 2016 BLM grazing fee was \$2.11/AUM. The Forest Service grazing fee was \$2.11/Head Month (HM). AUMs and HMs are treated as equivalent measures for fee purposes.

³ Proposals to protect land in the Bears Ears area date back over 80 years. In 2015, the "Inter-Tribal Coalition for Bears Ears" proposed establishing a 1.9 million acre national monument.³ Utah Congressmen Rob Bishop and Jason Chaffetz proposed establishing two National Conservation Areas (NCAs) -- Bears Ears and Indian Creek -- totaling 1.3 million acres as part of their Public Lands Initiative (PLI). National Conservation Areas are designated by Congress. In contrast to the Inter-Tribal Coalition's proposal, the PLI did not specify that all areas were to be withdrawn from future mineral development, placed a restriction on decreasing grazing permits in one of the proposed NCAs, and placed restrictions on Federal negotiations with the State of Utah for land exchanges for State-owned land within the proposed boundaries.

⁴ Land management plans are developed in compliance with the Federal Land Policy and Management Act (FLPMA) and NEPA regulations, the National Forest Management Act (NFMA), and the Forest Service 2012 Planning Rule.

Tribe). The Commission is to work with the Federal government to provide guidance and recommendations on the development and on-going implementation of management plans and on management of the monument. The Proclamation also requires a Monument Advisory Committee (MAC) be established according to the Federal Advisory Committee Act (FACA) regulations. In addition, DOI sought to enter into a MOU with the State of Utah to negotiate the exchange of state land within the Monument boundaries for other BLM land outside the Monument.⁵

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Public outreach prior to designation

A public meeting was held in Bluff, UT in July 2016. Over 1,500 individuals attended, including representatives from DOI, USDA, tribes, members of the Utah congressional delegation, and Utah state legislature. In addition, almost 600 written comments were submitted, the majority of which were in favor of the Monument designation.⁶

Local Economy and Economic Impacts

Table 1 presents socio-economic metrics for San Juan County and the state of Utah. The County contains roughly 0.5% of the State's population. The population of the county increased about 5% from 2000 to 2015. Nearly half of the population of the county is Native American. The median household income of Native Americans in San Juan County is over 40% lower than that of the total county population (see Table 1). The county has historically experienced higher levels of unemployment and lower levels of median household income in comparison to the State.

The San Juan County economy is dependent upon recreation-based or tourism-based businesses.⁷ The accommodation and food services industry is the largest sector by employment (see Figure 1), accounting for about 30% of total employment in the county.⁸

Table 1. San Juan County and State of Utah Economic Snapshot

| Measure | San Juan County, UT | Utah |
|--|---------------------|-----------|
| Population, 2016 ^a | 15,152 | 2,903,379 |
| Native American % of population ^a | 47.0% | 1.1% |
| Employment, December 2016 ^c | 2,299 | 1,187,682 |
| Unemployment rate, March 2017 ^b | 7.0% | 3.1% |
| Median Household Income, 2015 ^a | \$41,484 | \$60,727 |
| Native American Median Household Income, 2015 ^a | \$24,132 | \$36,428 |

^a U.S. Census Bureau, 2011-2015 American Community Survey

^b <http://www.jobs.utah.gov/wi/pubs/une/season.html>

^c https://data.bls.gov/cew/apps/data_views/data_views.htm#tab=Tables

⁵ A May 2017 SITLA land auction included a 1,120 acre parcel within BENM, the Needles Outpost, which sold for \$2.5 million, or \$2,232 per acre (<https://trustlands.utah.gov/land-auction-earns-3-million-for-public-schools/>).

⁶ Fast Facts and Q&A about the Bears Ears National Monument Designation, BLM.

⁷ Approved Resource Management Plan for Monticello Field Office, 2008

⁸ U.S. Census Bureau County Business Patterns, 2015

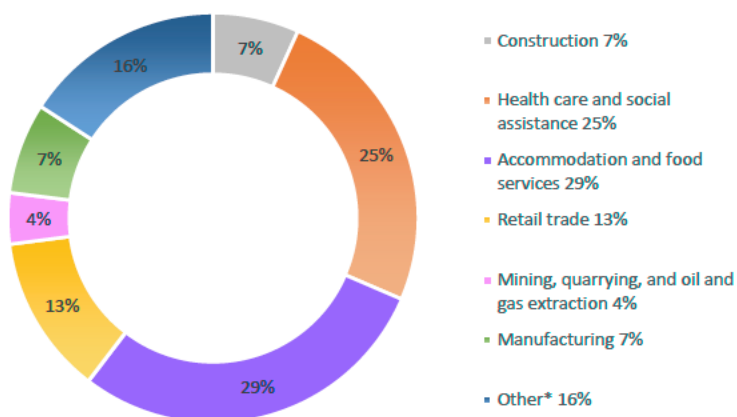


Figure 1. Percent of employment by sector in San Juan County, 2015

*Other includes agriculture/forestry; utilities; wholesale trade; finance and insurance; real estate; professional, scientific and technical services; admin and support services; waste management; educational services; arts and entertainment; and transportation and warehousing. Each of these represents less than 4% of total employment. Source: 2015 County Business Patterns, U.S. Census Bureau.

The figures provided below represent two different types of economic information: “economic contributions,” and “economic values.” Both types of information are useful for decision-making. Economic contributions track expenditures as they cycle through the local and regional economy, supporting employment and economic output. Table 2 provides estimates of the economic contribution of activities associated with BENM. It is estimated that recreation activities in the BENM area supported about 460 jobs and provided about \$23 million in value added in FY 2016.

Definitions

Value Added: A measure of economic contributions; calculated as the difference between total output (sales) and the cost of any intermediate inputs.

Economic Value: The estimated net value, above any expenditures, that individuals place on goods and services; these are particularly relevant in situations where market prices may not be fully reflective of the values individuals place on some goods and services.

Employment: The total number of jobs supported by activities.

Economic values, in contrast to economic contributions, represent the net value, above and beyond any expenditures, that individuals place on goods and services.⁹ To the extent information is available, economic values are presented in Table 3 along with information on the timing and drivers of future activity. For commodities bought and sold in markets (e.g., oil, gas, etc.), the economic values are closely related to the market prices of the commodities. For goods and services – such as recreation – that are

⁹ It is not appropriate to sum values for economic contributions and economic values because they represent different metrics.

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typically not bought and sold in markets, the values are estimated based on visitor surveys which attempt to capture individual values above and beyond their direct expenditures. The economic value in FY 2016 associated with recreation is estimated to be about \$30 million.

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Activities and Resources Associated With Bears Ears National Monument

Information on the economic contributions associated with the activities occurring at Bears Ears National Monument are provided below.

Table 2. BENM Estimated Economic Contributions, 2016

| Activities | Value added (net addition to GDP), \$ millions | Employment supported (number of jobs) |
|------------------------|--|---|
| Recreation | \$23.0-\$27.0 | 463-473 |
| Non-energy Minerals | \$0.24 | 2 |
| Grazing | Grazing value-added is not available | 161 |

- **Recreation:** Annual recreation visitation data for FY 2001-2016 is available for the BLM Monticello Field Office. About 60 percent of the area formerly under the jurisdiction of the Field Office represents the area included in the BENM. This area receives the vast majority of recreation use on BLM managed lands within the Field Office boundary. Recreation visits increased steadily from about an estimated 111,000 in FY 2001 to about 419,000 in 2016 (see Figure 2). In comparison, visitation to National Monuments and NCAs that have tracked unit-level visitation since 2005 has grown at an average rate of about 5.4% per year. Prior to designation, BLM also tracked the number of visits to the Kane Gulch ranger station that served the southern end of the Monument. The number of visits to this ranger station in March and April of 2017 was more than 50% higher than the average visitation during the same months of the four previous years.

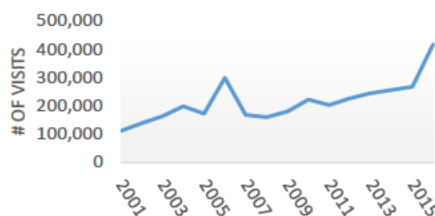
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- Annual recreation visits to the Manti-La Sal National Forest, part of which is now within BENM boundaries, are estimated to number around 350,000. USFS estimates that around 35,000 visits are to the area that is now contained within Mounument boundaries. An increase in visitation to this area of the

Figure 2. Recreation Visits to BLM Monticello Field Office, 2001-2016



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Manti-La Sal National Forest has been locally observed since designation.¹⁰

Recreation activities provide the opportunity for economic activity to be generated from tourism for an indefinite period of time. The economic contributions occur annually, and in cases where visitation increases over time, recreation generates additional activity each year. These contributions affect the regional and state economies. Recreation activities based on visitation to BLM-managed land are estimated to contribute about \$23 million in value added (net economic contributions) and support 463 jobs;¹¹ these could be considered conservative estimates for the Monument area as a whole, as they do not include the impacts of visitation to USFS-managed land. Including the estimated 35,000 annual visits to the USFS-managed land, recreation activities based on visitation to all land within Monument boundaries are estimated to contribute about \$27 million in value added and support 473 jobs¹²; the values should be considered an upper bound as there may be some double-counting between visits to BLM-managed and to USFS-managed land.

- **Energy:** In general, the scope, magnitude, and timing of energy and minerals activities are closely related to supply and demand conditions in world markets and the market prices of mineral commodities. Local or regional cost considerations related to infrastructure, transportation, etc. also may play a role in defining the supply conditions. To date, energy development on the Monument has been limited.
 - **Coal.** There have been no coal developments in the Monument area. Furthermore, there is very little, if any, prospectively valuable coal within the Monument boundaries, based on the energy and mineral resource assessment conducted for BENM. Potential for prospectively valuable coal, as surveyed by the USGS, lies almost entirely to the east of the Monument.¹³
 - **Oil and gas.**
 - There are currently no producing oil and gas wells within the Monument. USGS assessments indicate a high level of potential for oil and gas for an assessment unit that includes the monument boundaries, though it is not scientifically valid to statistically assign energy resource numbers in an assessment unit to a specific area.¹⁴ The upper northeast panhandle of BENM lies within the boundaries of the Moab Master Leasing Plan (approved in December 2016) and portions of the southeastern and southcentral areas of the Monument were included in a proposed San Juan Master Leasing Plan.¹⁵ Approximately 63,600 acres within

¹⁰ USFS data.

¹¹ BLM data

¹² USFS data.

¹³ BLM data.

¹⁴ The Monument area is within a USGS Energy Assessment Unit (AU) and has historic uranium mining activity (the Monument is within 2 conv. AUs and 1 cont. AU, Paradox Basin Province (315 MMBO, 999 BCF, 18 MMBNGL)<https://pubs.usgs.gov/fs/2012/3031/>.

¹⁵ Master Leasing Plans (MLPs) establish a framework for determining which areas are appropriate for responsible exploration and development of minerals while protecting the area's conservation resources. MLPs also provide direction for resolving resource conflicts, protecting important conservation resources, and supporting outdoor recreation and other activities that benefit local communities and public land visitors. For additional information on

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the proposed San Juan Master Leasing Plan [planning](#) area have been nominated for leasing since 2014. All of these lease nominations were deferred due to existing land use plan decisions and potential adverse impacts on cultural resources.

- There are currently [25-23](#) existing federal oil and gas leases that are partially or wholly contained within the Monument boundaries on BLM-managed lands, with lease authorizations spanning the period from 1972 to 2012. Valid existing rights are protected under the proclamation, so development on these existing leases could occur if development is found to be economic. Currently, there are no authorized or pending applications for permit to drill (APDs) associated with these leases. No oil and gas wells have been drilled on existing leases since 1993 and all wells within Monument boundaries have been plugged. Of the 250 wells that have been drilled since 1920, only three wells have produced economical quantities of oil and gas. The last producing well was drilled in 1984 and ceased production in 1992.

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- **Non-fuel minerals.**

- **Sand and gravel.** There is one commercial minerals materials mining site within Monument boundaries on BLM-managed land that produces sand and gravel. The permit for this site was renewed in March, 2016 for a 10-year period. Production is limited to a maximum of 200,000 cubic yards over the life of the 10-year permit, and designation of the Monument does not affect the limits on production.¹⁶
- **Potash.** While USGS surveys have assessed potential for potash in the northeastern panhandle of BENM (an area within the boundaries of the Moab Master Leasing Plan prior to designation), no sites in this area were identified as Potash Leasing Areas in the most recent Moab Master Leasing Plan (2016). BLM has denied all potash prospecting permit applications received from 2008 to 2015, primarily because they were inconsistent with protection of multiple resource values use (such as natural or cultural use) in the area.¹⁷
- **Uranium and other locatable minerals.** While there are no active mining operations on USFS-managed land, there are 78 active unpatented mining claims for uranium. ~~There are no mining claims for uranium on BLM-managed land.~~ The uranium ore in the Manti-La Sal National Forest is low grade, affecting the ability of the local industry to compete

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the Moab MLP see <https://eplanning.blm.gov/epl-front-office/eplanning/planAndProjectSite.do?methodName=dispatchToPatternPage¤tPageId=99717>.

¹⁶ Supply and demand conditions determine how much is produced annually within the overall limit on production. BLM receives a royalty of \$1.08 per cubic yard (\$0.66 per ton) of mineral production. The national average price for sand and gravel used in construction in 2016 was \$8.80/metric ton (https://minerals.usgs.gov/minerals/pubs/commodity/sand_&_gravel_construction/mcs-2017-sandc.pdf).

¹⁷ Potash production depends largely on market forces. U.S. consumption of potash was down in 2016 owing to a drop in agricultural use in the first half of the year and lower industrial usage, primarily in oil well-drilling mud additives. The world potash market in 2016 was marked by weak demand in the first half of the year, mainly in China and India, the largest consumers of potash. This excess supply resulted in lower prices, and reduced production. The average price of potash in 2016 was \$360 per ton.

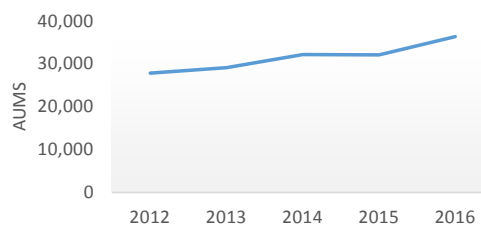
economically on the world market.¹⁸ [There are 266 mining claims on BLM-administered lands inside BENM. There are no active operations associated with these claims. Based on historic mining activity in the region, many of these claims may be associated with uranium. However, BLM does not require claimants to identify the mineral claimed.](#)

Uranium prices are volatile and, though currently higher than historical prices, have been trending downward since peaking in 2008.¹⁹

- **Timber.** The Proclamation does not affect existing laws, regulations, and policies followed by USFS or BLM associated with timber activities. Timber harvest activities such as non-commercial Christmas tree cutting and collection of wood for posts and firewood are allowed by permit on both BLM and USFS-managed land. For BLM-managed lands, no information is available on the level of magnitude of these activities strictly within Monument boundaries, however within the boundaries of the Monticello Field Office the total estimated value of permit sales for harvesting firewood, wooded posts, and Christmas trees was about \$12,000 in FY 2016.²⁰ There have not been any recent commercial timber activities on USFS-managed land. The Monument proclamation allows for the continuation of all pre-designation timber activities.

- **Forage.** The Monument proclamation allows for the continuation of all pre-designation grazing activities, including maintenance of stock watering facilities. The allotments that are wholly or partially contained within the boundaries of BENM include 50,469 permitted Animal Unit Month (AUMs)²¹ on BLM-managed land and 11,078 AUMs permitted on USFS-managed land. Figure 3 shows the number of AUMs billed by BLM annually over 2012-2016. In 2016, there were about 36,400 billed AUMs on BLM-managed land and about 9,700 billed AUMs²² on USFS-managed land.

Figure 3. BLM AUMs Billed, 2012-2016



- **Cultural, archeological, and historic resources.** Indigenous communities may utilize natural resources to an extent and in ways that are different from the general population, and the role that natural resources play in the culture of these indigenous communities may differ from that of the general population. Culturally important sites and unique natural resources, by definition, have limited or no substitutes. Recognizing this is a critical consideration in land management because it may affect consideration of tradeoffs. Activities currently undertaken by tribal members

¹⁸ Manti-La Sal National Forest Land and Resource Management Plan, 1986.

¹⁹ <https://www.eia.gov/uranium/marketing/>.

²⁰ This does not necessarily represent a market value.

²¹ BLM measures an AUM as the amount of forage needed to sustain one cow and her calf, one domestic horse, or 5 sheep or goats for one month. <https://www.blm.gov/programs/natural-resources/rangelands-and-grazing/livestock-grazing/fees-and-distribution>.

²² USFS billed 7,335 Head Months in 2016, which were converted to AUMs using a conversion factor of 1.32.

include hunting, fishing, gathering, wood cutting, and the collection of medicinal and ceremonial plants, edible herbs, and materials for crafting items like baskets and footwear.

According to the Utah State Historic Preservation Office, as of Feb. 6, 2017, there are 8,480 recorded archaeological sites and four archaeological districts within BENM. The following archaeological districts are either completely within or partially within BENM: Butler Wash, Grand Gulch, Natural Bridges, and the Salt Creek Archaeological District. More than 70 percent of the sites are prehistoric (pre-dating the 1800s). These prehistoric sites include pottery and stone tool (lithic) scatters, the remains of cooking features (hearths), storage features such as adobe granaries and subsurface stone lined granaries, prehistoric roads, petroglyphs, pictographs and cliff dwellings. The remaining sites are historic and include debris scatters, roads, fences, and uranium and vanadium mines from World War II and the Cold War. About 9% of the BLM-managed portion of BENM has been surveyed for cultural resources.

The USFS-managed portion of BENM includes 2,725 known cultural sites and features an area containing over 2,027 Puebloan sites, most of which are *Pueblo I*. The *Pueblo I* culture is limited to only a few locations and the USFS-managed portion of BENM contains the only high elevation communities of this era. These sites include hunting camps and blinds, ceremonial sites, granaries, stone quarries, villages and residences, agricultural systems, kilns, rock art, and shrines, as well as protohistoric sweat lodges and hogans. Only 15-20% of the USFS-managed portion of BENM has been surveyed for cultural resources.

Multiple Use and Tradeoffs Among Resource Uses

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Table 3. Summary of BENM Activities and Economic Values, FY 2016

| Activities | Level of annual activity | Economic Value | Timing | Drivers of current and future levels of activity |
|---------------------------|---|---|---|--|
| Recreation | FY 2016: 530,892 visitor days (BLM) 35,000 visitors (USFS) | \$54.19/visitor-day ^a | Visitation could continue indefinitely if landscape resources remain intact and of sufficient quality. | Societal preferences for outdoor recreation; disposable income; changing individual preferences for work and leisure time |
| Oil, gas, coal production | Little or none to date, see "Oil and gas" section for more information | FY 2016 average prices: ^b -crude oil (WTI): \$41.34/bbl -natural gas: \$2.29/mcf -coal (subbituminous): \$12.08/ton | Development of energy and non-energy minerals is subject to market forces (worldwide supply and demand, prices). Mineral extraction is non-renewable and occurs only as long as the resource is economically feasible to produce. | Market prices of energy commodities affect both supply and demand. Local and regional cost considerations related to infrastructure and transportation are also relevant. |
| Non-energy Minerals | 34,813 tons ^c of sand and gravel (average of 2011-2015 production) | National average price for sand and gravel (2016): \$8.80/ton ^d | | Market prices of non-energy commodities affect both supply and demand. Mineral production is limited to 200,000 cubic yards over a 10-year period per the existing resource management plan. |
| Grazing | 2016 billed AUMs: 36,402 AUMs (BLM) 9,682 AUMs (USFS) | 2016 grazing fee: \$2.11/AUM | Grazing could continue indefinitely if forage resources are managed sustainably. | Market prices for cattle and sheep and resource protection needs and range conditions (due to drought, fire, etc.) can affect AUMs permitted and billed. |
| Cultural resources | Indigenous communities often use natural resources to an extent and in ways that are different from the general population, and the role that natural resources play in the culture of these indigenous communities may differ from that of the general population. Culturally important sites and unique natural resources, by definition, have limited or no substitutes. Recognizing this is a critical consideration in land management because it may affect consideration of tradeoffs. BENM contains substantial cultural resources that have not been fully surveyed. Tribes use the sacred sites within BENM for hunting, fishing, gathering, wood cutting, and for collection of medicinal and ceremonial plants, edible herbs, and materials for crafting items like baskets and footwear. | | | |
| Benefits of nature | Services provided by nature underpin all sectors of a local economy. As many of these services are not sold in markets, we have limited information on their prices or values. Specific benefits related to BENM include <u>clean air, clean water</u> , protection of crucial habitats for deer, elk, desert bighorn sheep, pronghorn, and endemic plant species that inhabit rare habitat types such as hanging gardens. | | | |

^a This value represents the estimated consumer surplus associated with general recreation for the Intermountain region from the USGS Benefit Transfer Toolkit (<https://my.usgs.gov/benefit-transfer/>). Consume surplus represents values individuals hold for goods and services over and above expenditures on those goods and services.

^b All prices are from EIA.gov

^c Reported average production of 21,396 cubic yards converted to tons using a conversion factor of 1.63 cu yards/ton.

^d USGS Mineral Commodity Survey https://minerals.usgs.gov/minerals/pubs/commodity/sand_&_gravel/construction/mcs-2017-sandc.pdf

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Canyons of the Ancients

Economic Values and Economic Contributions

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Canyons of the
Ancients National
Monument



Introduction

The purpose of this paper is to provide information on the economic values and economic contributions of the activities and resources associated with Canyons of the Ancients National Monument (CANM).¹

Background

Canyons of the Ancients National Monument spans 176,370 acres of Federally managed land in Montezuma County, CO, with a small portion extending into Dolores County, CO. It was designated in June 2000 for the purposes of ensuring protection of the area's cultural and natural objects, including the highest known density of archaeological sites in the Nation, as well as natural, geological, and biological resources. In 1985, this area was designated as an Area of Critical Environmental Concern (ACEC) due to the importance of the resources found there. In late 1990s, beginning with significant discussion of a legislative conservation designation, there was community support for the creation of a National Conservation Area, which ultimately led to the National Monument designation following extensive outreach, public scoping and comment periods, and tribal consultation.

Canyons of the Ancients National Monument

Location: Montezuma County, Dolores County, CO
Managing agency: BLM
Adjacent towns: Cahone; Pleasant View; Yellow Jacket; Lewis; Cortez, CO
Adjacent Tribal land: Ute Mountain Reservation

Resource Areas:

☒ Recreation ☒ Energy ☒ Minerals
☒ Grazing ☐ Timber ☒ Scientific Discovery
☒ Tribal Cultural

Local Economy and Economic Impacts

Montezuma County, with a population of 25,700 people², is home to less than 0.5% of the population of the State of Colorado. In recent years, the county has experienced slightly higher levels of unemployment and lower levels of median household income than the State. The County also has a significantly higher Native American population, with 11.5% of the population being of Native American descent versus less than 1% for the State. The Ute Mountain Reservation is within the County borders.

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Activities and Resources

Information on the economic contributions associated with the activities occurring at Canyon of the Ancients National Monument are provided below.

- **Recreation:** A variety of recreation activities are available at CANM including: dispersed camping, hiking, hunting, horseback riding, biking, OHV riding, and viewing archaeological sites. In addition, the Anasazi Heritage Center, a premiere archaeological museum of the Ancestral Puebloan and other Native cultures of the Four Corners region, is located on the Monument. Visitation in FY16 was about 89,500 visits, which is associated with estimated value added of about \$4.7 million and approximately 80 jobs.

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¹ The BLM provided data used in this paper.

² 2011-2015 ACS, 5-Year Estimates, U.S. Census Bureau

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- **Energy:** There is oil, gas, and CO2 production within the Monument.
 - **Coal.** There have been no coal developments in the Monument area.
 - **Oil and gas.** There is oil, gas, and CO2 production within the Monument area. 95% of the production of oil, gas, and CO2 in Montezuma and Dolores counties is from within Monument boundaries. In 2016, there were approximately 85,750,111,060 bbls of oil, 421,320,436,564,707 mcf of natural gas, and 340,000,151,436,000,237 mcf of CO2 produced in Montezuma and Dolores counties. (b) (5) DPP
 - There are 9 past-producing uranium/vanadium mines within the Monument boundaries that are no longer in operation.
- **Non-fuel minerals.**
 - There are little to no mineral resources within CANM and no records available for locatable mineral production.
- **Timber.** There is no commercial timber production in CANM either before or after the Monument designation, although the Monument allows for continued firewood cutting.
- **Grazing.** There are currently 23 existing grazing allotments with a total of about 6,800 permitted Animal Unit Month (AUMs)³. There has been an average of approximately 4,300 billed per year since the Monument was designated. Those AUMs were associated with economic output of about \$1.6 million and supported about 23 jobs. The Monument proclamation allows for the continuation of all pre-designation grazing activities.
- **Tribal cultural, archeological, and historic resources.** The CANM area is central to the historic and prehistoric territories of multiple tribes. Tribal consultation for the Monument is undertaken with 26 tribal entities, including the three federally recognized Ute tribes, the Navajo Nation, the Jicarilla Apache, and 21 different Puebloan tribes. Archaeological surveys show extensive use of the land within the Monument by ancient Native American cultures and as a contact point for multiple Pueblos, Ute bands, Navajo and Jicarilla Apache and cultural sites within the Monument include traditional cultural properties, sacred sites, and cultural landscapes. Prehistoric archaeological sites include rock art panels, occupation sites, campsites, and granaries. In addition, local ranching as a major focus of area livelihood and increased settlement dates back to the late 1800s, and continues to be an important cultural bond of local communities and families in the CANM area though the economic importance has diminished.

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³ BLM measures an AUM as the amount of forage needed to sustain one cow and her calf, one domestic horse, or 5 sheep or goats for one month. <https://www.blm.gov/programs/natural-resources/rangelands-and-grazing/livestock-grazing/fees-and-distribution>.

Land Management Tradeoffs

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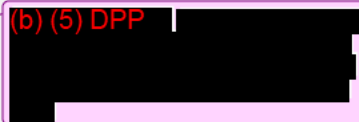
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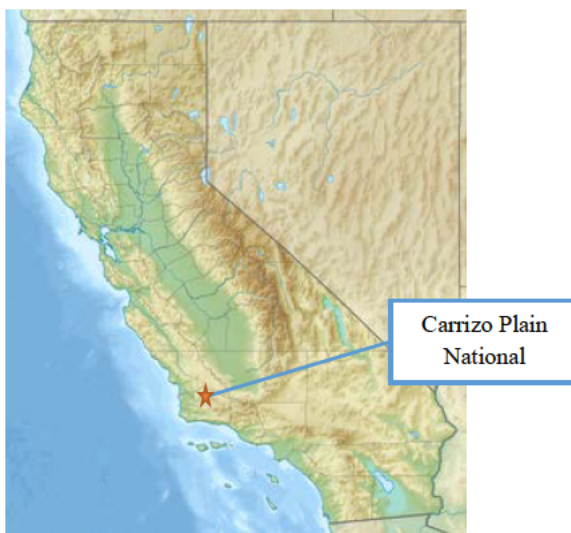




Carrizo Plain National Monument

Economic Values and Economic Contributions

DRAFT



Introduction

The purpose of this paper is to provide information on the economic values and economic contributions of the activities and resources associated with Carrizo Plain National Monument (CPNM) as well as to provide a brief economic profile of Kern and San Luis Obispo Counties.¹

Background

The Carrizo Plain National Monument was established in 2001 for the purposes of protecting lands that contained cultural, prehistoric, historic, geologic, ecological, and scientific resources, including objects of archaeological significance. The CPNM encompasses 211,045 million acres of land primarily in San Luis Obispo County, CA (a small amount of monument is located in Kern County). State and private inholdings total 35,772 acres. CPNM is managed by BLM in partnership with the California Department of Fish and Wildlife and the Nature Conservancy. A wide range of recreational activities take place on the Monument, most notably wildflower viewing, which attracted international attention in spring 2017.⁴ In addition, activities such as grazing and oil and gas production are also permitted.

The designation of the Monument had backing and support from the general public, including the gateway communities and the Native American tribes in the area.

Prior to being designated as a National Monument, Carrizo Plain was managed by BLM as a Natural Area. The CPNM is proximate to the major population center of Los Angeles. The Monument is home to diverse communities of wildlife and plant species including 13 Federally listed Threatened and Endangered species. Native Americans have occupied the area for at least the last 10,000 years, including the Chumash, Salinian, and Yokuts Tribes. In addition, the monument provides many recreational opportunities, including hiking, camping, hunting, horseback riding, bicycle riding, tours of Native American rock art sites and historical ranches, and wildlife and wildflower viewing.

~~The area is cooperatively managed by the California Department of Fish and Wildlife and The Nature Conservancy.~~

~~The BLM developed a management plan through a public process between 2002 and 2010. A management plan was developed with the public and BLM partners. Meetings were held with the public and the A Monument Advisory Committee and Native American Advisory Committee (MAC) participated in the development of the alternatives, review of the alternatives and development and review of the proposed alternative. These Public meetings meetings took place in Bakersfield, Carrisa~~

¹ The BLM provided data related to public land resources used in this paper.

Carrizo Plain National Monument

Location: San Luis Obispo and Kern Counties, CA

Managing agencies: BLM, USFS in cooperation with The Nature Conservancy and California Department of Fish and Wildlife

Tribes/Reservations: Chumash, Salinian, and Yokuts Tribes

Gateway communities: Taft; Santa Margarita; and Atascadero.

Resource Areas:

☒ Recreation ☐ Energy ☐ Minerals
☒ Grazing ☐ Timber ☒ Scientific
Discovery ☒ Tribal Cultural

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~~Plains California Valley, Taft, and San Luis Obispo. The public planning process occurred over July 2002–2011.~~

~~The Carrizo was then being~~Prior to its designation via Proclamation, the Carrizo Plain was part of a bipartisan legislative effort ~~proposed as to designate~~ a National Conservation Area (NCA). A number of public meetings and outreach occurred over 1999-2000.

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Table 1. Economic Snapshot -- Kern, and San Luis Obispo Counties and State of California

| Measure | Kern | San Luis Obispo | California |
|---|---------|-----------------|------------|
| Population, 2015 ^a | 865,736 | 276,517 | 38,421,464 |
| Unemployment rate, April 2017 | 9.5 | 3.3 | 4.5 |
| Median Household Income, (\$2015 ^b) | 49,026 | 60,691 | 61,818 |

^a U.S. Census Bureau, 2011-2015 American Community Survey

^c https://data.bls.gov/cew/apps/data_views/data_views.htm#tab=Tables

Local Economy and Economic Impacts

Table 1 presents socio-economic information for Kern and San Luis Obispo Counties and the state of California. Together, the two counties contain roughly 3% of the State's population. The population of Kern County increased about 60% from 2000 to 2015; the population of San Luis Obispo County grew by about 27% over the same time period. The population demographics of the two counties are roughly similar, except that Kern County has more than double the Hispanic population compared to San Luis Obispo (52% compared to 22%). The median 2015 household income in Kern and San Luis Obispo Counties was \$49,026 and \$60,691, respectively. The median 2015 household income for California was about \$62,000.

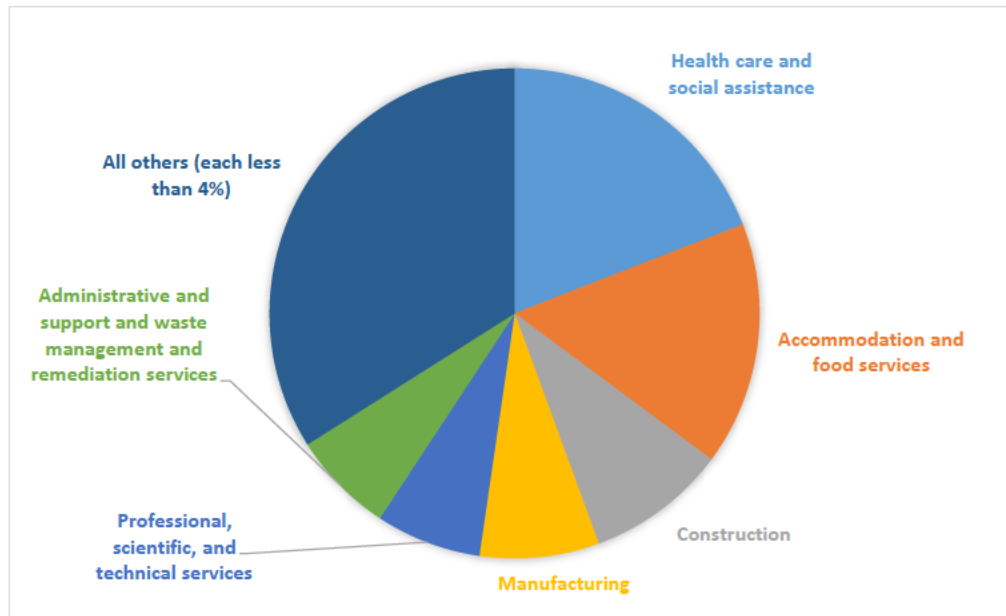
The USDA Economic Research Service (ERS) has developed a set of county-level typology codes that captures a range of economic and social characteristics. The CPNM counties are classified as follows:

- Recreation dependent – San Luis Obispo is classified as a recreation dependent county (the ERS formula is based on recreation-related employment, earnings, income, and seasonal housing);
- Kern County is classified as a low education county; and
- No dependence on mining, and no persistent poverty in these counties.

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The largest sectors in terms of employment in Kern and San Luis Obispo Counties are retail trade, accommodation and food service, and health care (see Figure 1). Together these sectors accounted for about 45% of total employment in the county in 2015.²

Figure 1. Percent of employment by sector in Kern and San Luis Obispo Counties, 2015



*All others includes agriculture/forestry; utilities; wholesale trade; finance and insurance; real estate; professional, scientific and technical services; admin and support services; waste management; educational services; arts and entertainment; and transportation and warehousing. Each of these represents 4% or less of total employment. Source: 2015 County Business Patterns, U.S. Census Bureau.

Information is provided below on two different types of economic information: “economic contributions,” and “economic values.” Both types of information are informative in decision making. Economic contributions track expenditures as they cycle through the local and regional economy, supporting employment and economic output.

Table 2 provides estimates of the economic contribution of activities

Definitions

Value Added: A measure of economic contributions; calculated as the difference between total output (sales) and the cost of any intermediate inputs.

Economic Value: The estimated net value, above any expenditures, that individuals place on goods and services; these are particularly relevant in situations where market prices may not be fully reflective of the values individuals place on some goods and services.

Employment: The total number of jobs supported by activities.

² U.S. Census Bureau County Business Patterns, 2015.

associated with CPNM. It is estimated that recreation activities in the CPNM area supported about 48 jobs and provided about \$2.9 million in value added in FY 2016.

Economic values, in contrast to economic contributions, represent the net value, above and beyond any expenditures, that individuals place on goods and services. It is not appropriate to sum values for economic contributions and economic values because they represent different metrics. To the extent information is available some economic values are presented in Table 3 along with information on the timing and drivers of future activity. For commodities bought and sold in markets (e.g., oil, gas, etc.), the economic values are closely related to the market prices of the commodities. For goods and services – such as recreation – which are typically not bought and sold in markets the values are estimated based on visitor surveys which attempt to capture individual values above and beyond their direct expenditures. The economic value in FY 2016 associated with recreation is estimated to be about \$2.6 million.

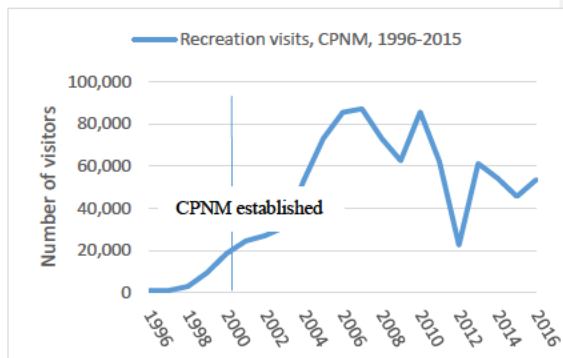
Table 2. Estimated CPNM Economic Contributions, 2016

| Activities | Economic Output, \$ millions | Value added (net additions to GDP), \$ millions | Employment supported (number of jobs) |
|-----------------|------------------------------|---|---------------------------------------|
| Recreation | 4.8 | 2.9 | 48 |
| Energy minerals | | | |
| Grazing | 2 | N/A | 22 |

Details on the activities occurring at Carrizo Plain

National Monument are provided below.

- Recreation:** Figure 2 shows CPNM recreation visitation data for FY 1996 - 2016. Recreation visits increased steadily from 1996 to about 80,000 in 2007, dropped to about 20,000 in 2012 (most likely due to severe drought) and have since increased to about 50,000 in 2016 (visitation was not tracked prior to 1996). Annual visitation fluctuates significantly based on the amount of wildflowers blooms, which are tied to rainfall. In spring 2017, a “super bloom” due to heavy rainfall over the winter received extensive coverage in national media outlets and on social media, attracting a typical year’s worth of visitors in a single month and overwhelming CPNM’s facilities. Prior to designation, ~~all~~ off highway vehicles were allowed on designated routes. ~~Since designation~~ Since the management plan was completed in 2010, only street legal vehicles are allowed on designated routes. The monument is open to hunting and is regulated by the California Department of Fish and Wildlife. Recreation activities provide the opportunity for economic activity to be generated from tourism for an indefinite period of time. The economic contributions occur annually, and in cases where visitation

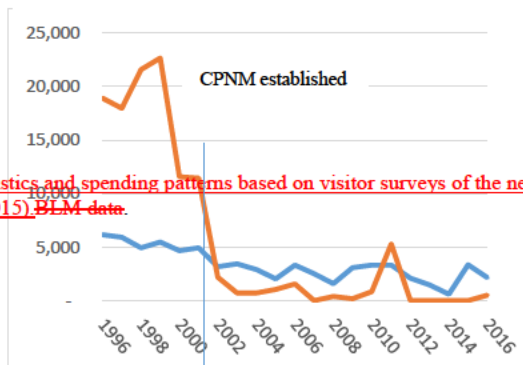


increases over time, recreation generates additional activity each year. These contributions affect the regional and state economies. Recreation activities based on visitation to BLM-managed land are estimated to contribute about \$3 million in value added (net economic contributions) and support 48 jobs;³ If the monument had not been designated, BLM would still anticipate visitor numbers to increase due to the proximity to large population centers (including Los Angeles and San Francisco), although the designation has raised the profile of the Monument and has likely attracted more visitors.

The BLM utilizes the Recreation Management Information System (RMIS) to report visitation. The RMIS, implemented in 1984, is the agency's official system of record for recreation information relating to recreation visitation, permits, and partnerships. Visitation information is based on the best available collection tools and data. Providing definitive visitation information at each National Monument is difficult to quantify, given the numerous factors influencing visitation and collection of visitor information data. Federal land managers are continually improving the methodology and technological resources for visitation reporting.

- **Energy:** In general, the scope, magnitude, and timing of energy and minerals activities are closely related to supply and demand conditions in world markets and the market prices of mineral commodities. Local or regional cost considerations related to infrastructure, transportation, etc. also may play a role in defining the supply conditions. To date, energy development on the Monument has been limited.
 - **Coal.** There are no coal resources present in the Monument area.
 - **Oil and gas.** There are two existing active oil fields in the Monument (the Morales Canyon and Russell Ranch fields) that are recognized as having valid existing rights. Prior to designation there were some small exploratory test sites outside the existing fields with the potential of having 1-3 drilled wells. Oil production has generally been trending down since 1996, with about 9,000 barrels produced in 2016. Gas production peaked in 1998, and has subsequently declined to low levels.
 - **Energy transmission:** There has only been one application for a new transmission line since the Monument was established. Pacific Gas and Electric (PGE) applied for a transmission right-of-way on 3/30/2016. PGE has done public scoping for this project, however they currently put a hold on the project held initial public meetings for this project, which includes alternative routes outside of the National Monument and remains in its early stages. There have been 3 renewals on existing right-of- ways originally issued between 1949 and 1970.
- **Non -fuel minerals.** There are no solid mining activities on the Monument nor are there mineral developments or processing facilities adjacent to or impacted by the Monument designation.
- **Timber.** There ~~are~~ is no active timber production in the Monument.
- **Grazing.** The Monument proclamation allows for the

Figure 3. Permitted and Billed AUMs, Carizzo Plain, 1996-2016



³ Estimates based on by assigning visitor characteristics and spending patterns based on visitor surveys of the nearest National Park Service unit (Thomas and Koontz 2015). BLM data.

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continuation of all pre-designation grazing activities, including maintenance of stock watering facilities. About 2,700 AUMs were billed in FY 2016. Figure 3 shows the trend in billed Animal Unit Months (AUMs) on CPNM (some allotments are wholly or partially contained within the boundaries of CPNM). There are two types of grazing authorizations within the Monument: traditional Section 15 grazing leases (seven grazing allotments); and Free Use grazing permits (9 allotments), which are issued only for the management of vegetation to meet Monument Management Plan objectives rather than the production of livestock forage. The Free Use grazing permits were established in 1995. Prior to 1998, as part of the 1996 Carrizo Plain Natural Area (CPNA) Plan, the "Managing Partners" (California Department of Fish and Wildlife Service and The Nature Conservancy), had been annually implementing a three pasture, rest-rotation grazing system on all of the acquired lands within Carrizo Plain - solely for the benefit of natural communities and listed species. In 1998, the Partners removed this rest-rotation system and began a grazing management system with a more comprehensive resource-based approach. This approach focused on adaptive management and the objectives and needs of each resource value or conservation target. This change in management resulted in fewer AUMs billed in the CPNA, between 1998 and 2001. The comprehensive resource-based approach continues today through the implementation of the 2010 Carrizo Plain National Monument Resource Management Plan. During 1998-2003 drought resulted in resource conditions that did not allow for grazing on the Free Use Grazing Permit allotments and reduced the number of billable AUMs on Section 15 lease allotments.

- **Cultural, archeological, and historic resources.** Due to the deep history of Native American use and occupation of the Carrizo Plain and the presence of identified sacred sites, contemporary tribes maintain strong ties with the area. The BLM works closely with tribes to insure the CPNM is managed in manner compatible with tribal cultural resource values. Activities currently undertaken by tribal members include hunting, fishing, gathering, wood cutting, and the collection of medicinal and ceremonial plants, and edible herbs, and materials for crafting items like baskets and footwear.

Since 2001, approximately 22,500 acres, roughly 10% of the monument, has been surveyed for cultural sites. A total of 241 archaeological sites within the CPNM have been identified to date, with about 80% of these identified since the CPNM was designated through sustained archaeological surveying efforts. The majority of these sites are associated with the long history of Native American occupation of the Carrizo Plain. One hundred of these constitute scientifically and spiritually significant Native American heritage sites and have been awarded the highest level of national significance as the Carrizo Plain Archaeological District National Historic Landmark. An important component of this district is the 33 pictograph sites internationally recognized as among the most significant examples of their kind in the world. The CPNM also contains a large number of historic period sites are eligible for the National Register of Historic Places. These sites consist of remains and structures associated with mid-18th century settlement and homesteading and subsequent post World War II large scale agricultural development.

This is largely due to a marked increase in the completion of archaeological surveys during this period.

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Multiple Use and Tradeoffs Among Resource Uses

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Table 3. Summary of CPNM Activities and Economic Values, FY 2016

| Activities | Level of annual activity | Economic Value | Timing | Drivers of current and future levels of activity |
|---------------------------|---|--|---|---|
| Recreation | FY 2016: 60,000 visits | \$44.34/visitor-day ^a | Visitation could continue indefinitely if landscape resources remain intact and of sufficient quality. | Societal preferences for outdoor recreation; disposable income; changing individual preferences for work and leisure time |
| Oil, gas, coal production | FY 2016: 9,000 bbl | FY 2016 average prices ^b : -crude oil (WTI): \$41.34/bbl -natural gas: \$2.29/mcf -coal (subbituminous): \$12.08/ton | Development of energy and non-energy minerals is subject to market forces (worldwide supply and demand, prices). Mineral extraction is non-renewable and occurs only as long as the resource is economically feasible to produce. | Market prices of energy commodities affect both supply and demand. Local and regional cost considerations related to infrastructure and transportation are also relevant. |
| Grazing | 2,700 AUMs billed in 2016 | 2016 grazing fee: \$2.11/AUM | Grazing could continue indefinitely if forage resources are managed sustainably. | Market prices for cattle and sheep and resource protection needs and range conditions (due to drought, fire, etc.) can affect AUMs permitted and billed. |
| Cultural resources | Indigenous communities often use natural resources to an extent and in ways that are different from the general population, and the role that natural resources play in the culture of these indigenous communities may differ from that of the general population. Culturally important sites and unique natural resources, by definition, have limited or no substitutes. Recognizing this is a critical consideration in land management because it may affect consideration of tradeoffs. CPNM contains substantial cultural resources that have not been fully surveyed. Tribes use the sacred sites within CPNM for hunting, fishing , gathering, wood cutting , and for collection of medicinal and ceremonial plants, edible herbs, and materials for crafting items like baskets and footwear . | | | |
| Benefits of nature | Services provided by nature underpin all sectors of a local economy. As many of these services are not sold in markets, we have limited information on their prices or values. Specific benefits related to CPNM include protection of habitat for endangered, threatened, and rare species such as the Jan Joaquin kit fox, California condor, blunt-nosed leopard lizard, giant kangaroo rat, San Joaquin antelope squirrel, fairy shrimp, pronghorn, tule elk, and sandhill cranes. crucial habitats for deer, elk, desert bighorn sheep, pronghorn, and endemic plant species that inhabit rare habitat types such as hanging gardens. | | | |

^a This value represents the estimated consumer surplus associated with general recreation for the Intermountain region from the USGS Benefit Transfer Toolkit (<https://my.usgs.gov/benefit-transfer/>). Consume surplus represents values individuals hold for goods and services over and above expenditures on those goods and services.

^b All prices are from EIA.gov.

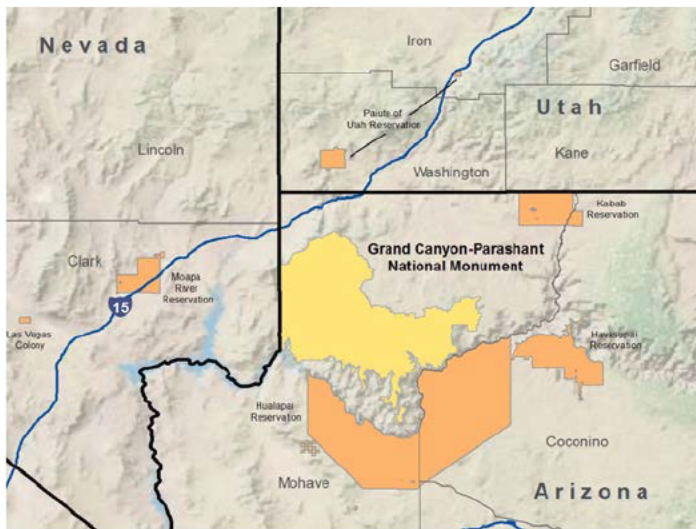
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Grand Canyon-Parashant National Monument

Economic Values and Economic Contributions

DRAFT



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Introduction

The purpose of this paper is to provide an overview of the economic values and economic contributions of the activities and resources associated with Grand Canyon-Parashant National Monument (GCPNM or the Monument). The GCPNM is located entirely within Mohave County in northwest Arizona, bordering Nevada to the west and near the southern border of Utah. With the Grand Canyon along the south perimeter, the GCPNM can only be accessed through rough, unpaved roads from the north, west, and northeast. For context, this paper provides a brief economic profile of the surrounding area, focused on Mohave County, Arizona and supplemented with basic and relevant information for Clark County, Nevada; Washington County, Utah; and Coconino County, Arizona.

Grand Canyon-Parashant National Monument, Arizona

Location: Mohave County, AZ

Managing agencies: NPS, BLM

Adjacent cities/counties/reservations:

- Clark County, Nevada to the west;
Washington County, Utah to the north;
Coconino County, Arizona to the east

Resources and Uses:

- ☒ Recreation ☐ Energy ☐ Minerals
☒ Grazing ☐ Timber ☒ Scientific Discovery
☒ Tribal Resources ☒ Cultural / Paleo Resources

Background

The GCPNM was established by President Clinton on January 11, 2000 (Proclamation 7265) and is jointly managed by the National Park Service (NPS) and the Bureau of Land Management (BLM) under a Service First Agreement. The Monument consists of 1,048,321 acres including 808,744 acres of BLM-administered land, 208,447 acres of NPS-administered land, 23,205 acres of Arizona State Trust lands, and 7,920 acres of private land. NPS-administered lands within the monument are part of the Lake Mead National Recreation Area legislated unit, established by Congress in 1964. There are four Wilderness Areas located on the Monument, accounting for just over 93,000 acres. The Foundation Document for the GCPNM summarizes the purpose of the Monument to: “protect undeveloped, wild, and remote northwestern Arizona landscapes and their resources, while providing opportunities for solitude, primitive recreation, scientific research, and historic and traditional uses.”¹ To protect objects within the Monument, the Proclamation directed the following management:

- Prohibit all motorized and mechanized vehicle use off road, except for emergency or authorized administrative purposes.
- Withdraw from all forms of entry, location, selection, sale, or leasing or other disposition under the public land laws including mineral and geothermal leasing.
- Only permit the sale of vegetative material if part of an authorized science-based ecological restoration project.
- Continue to issue and administer grazing leases within the portion of the Monument within the Lake Mead National Recreation Area as well as the remaining portion of the Monument.

The Proclamation also states that the establishment of the monument is subject to valid existing rights.

The GCPNM boundary occupies approximately 12% of the area of Mohave County. Communities in Clark County, Nevada; Washington County, Utah; and Coconino County, Arizona also serve as access points to the Monument and are therefore connected economically and socially to the Monument.

¹ DOI. 2016. Foundation Document, Grand Canyon-Parashant National Monument. As stated in document, “The purpose statement identifies the specific reason(s) for establishment of the monument. The purpose statement for Grand Canyon-Parashant National Monument was drafted through a careful analysis of its enabling presidential proclamation and the legislative history that influenced its development.

Individuals from the Hopi, Southern Paiute, Hualapai, Havasupai, and Navajo tribes continue visiting sites, gathering, and using resources in the Planning Area.²

Public Outreach Prior to Designation

In November 1998, former Department of Interior Secretary Babbitt went to Northern Arizona and began a dialogue that included two more visits, two large public meetings, and more than 59 other meetings with concerned local governments, tribes and other groups regarding the future of these lands.³

A December 21, 1999 briefing paper for the Secretary described the position of interested parties as follows: “Legislation was introduced in August 1999 by Senator Kyl (S. 1560) and Congressman Stump (H.R. 2795) proposing a National Conservation Area designation for the region. Stump’s bill would actually lower protections in existing law. No hearings have been held on Kyl’s legislation. Environmental groups have expressed support for the monument designation, most notably, The Grand Canyon Trust. The Arizona Strip Grazing Board has expressed general opposition to further designation, but stated that if a proposal is pursued, they would like to work with those making the designation to ensure grazing activities continue. Private land owners, recreationists and mining interests have expressed concerns over possible restrictions and changes to past agreements, but desire to participate in the process.”

Local Economy and Economic Impacts

Table 1 summarizes some key demographic and economic indicators for Mohave County, Arizona and the State as a whole. While the County accounts for just 3 percent of the State’s population, the percent increase since 1990 was larger than the State (118% compared to 81%). The unemployment rate in Mohave County is higher than the State and a substantial portion of the Mohave County workforce are employed in jobs outside the County. This observation is reflected in the ratio of jobs to population (33% in Mohave County compared to 53% for the State) and BEA personal income data that shows a net inflow of income. Furthermore, the median household income in Mohave County was 77% of the State average in 2015. The demographics of Mohave County consists of a relatively higher percentage of non-Hispanic Whites compared to the State (78% compared to 57.5%) and, as shown in Table 1, a relatively small percentage of Native Americans. The USDA Economic Research Service’s (ERS) county-level typology codes indicate that Mohave County is a recreation-dependent county. That classification is supported, in part, by the relatively higher percentage of jobs recreation/tourism related sectors (e.g., retail trade and accommodation and food services) in Mohave County in 2015 as reported by the BEA. The proportions of jobs in Mohave County associated with other natural resource related sectors are relatively low (0.9%, 0.2%, 0.4% for the Farm, Forestry, fishing, & ag. and

Table 1. Mohave County and State of Arizona Economic Snapshot

| Measure | Mohave County, AZ | Arizona |
|--|-------------------|-----------|
| Population, 2016 ^a | 203,362 | 6,641,928 |
| Native American % of population ^a | 2.1% | 4.4% |
| Employment, December 2016 ^c | 67,304 | 3,542,969 |
| Unemployment rate, March 2017 ^b | 5.5% | 3.1% |
| Median Household Income, 2015 ^a | \$38,488 | \$50,255 |

^a U.S. Census Bureau, 2011-2015 American Community Survey

^b <https://laborstats.az.gov/sites/default/files/documents/files/emp-report.pdf>

^c U.S. Bureau of Economic Analysis (BEA), Regional Economic Accounts Table CA25N

² BLM and NPS. 2007. The Proposed Resource Management Plan/FEIS for the Arizona Strip Field Office, the Vermilion Cliffs National Monument, and the BLM Portion of Grand Canyon-Parashant National Monument, and a Proposed General Management Plan/Final EIS for the NPS Portion of the Canyon-Parashant National Monument.

³ White House Press Release.

Mining sectors; respectively) and are comparable to the State as a whole.

Non-labor income (income from dividends, interest, and rent and transfer payments) has become an increasingly large source of total income within the County, reaching over 52 percent of all income as of 2015 (compared to about 40% for the State as a whole). A relatively high proportion of this non-labor income is associated with age-related transfer payments (Social Security and Medicare) which is reflective of the relatively older population in the County compared to the State as a whole.

As noted above, communities in Clark County, Nevada; Washington County, Utah; and Coconino County, Arizona are common access points for the Monument. Coconino County has a population around 135,000 with half of the population living in Flagstaff. Much of the County does not provide easy access to the Monument. The Town of Fredonia (population around 1,300) represents the main access point to the Monument from the County and bills itself as “the gateway to the North Rim of the Grand Canyon.”⁴ Washington County, Utah has a population around 155,000 with half of the population living in St. George. The County is classified by ERS as recreation dependent. St. George, an access point for the GCPNM, has been a tourist destination since the 1960s and provides access to a number of other National Parks and Monuments.⁵ Clark County, Nevada has a population of around 2.1 million with the vast majority of the population living in the greater Las Vegas area. The closest communities in the County to the Monument are Mesquite (population of about 17,000) and Bunkerville (population of about 1,000). Mesquite is a “growing resort destination”⁶ providing local activities (such as golf and casinos) and access to a range of publically managed lands. Information on the primary economic drivers for Bunkerville are not readily available.

In the years following monument designation (2001-2015), the communities in Mohave County, Arizona and Washington County, Utah neighboring the VCNM experienced strong growth, continuing previous growth trends. Population grew by 41%. Jobs grew by 42%. Real personal income grew by 59%. Real per capita income grew by 12%.⁷ The designation of the Monument appears to have not impacted economic growth in any negative manner.

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⁴ See <http://www.fredoniaaz.net/>.

⁵ See <https://www.sgcity.org/aboutstgeorge/>.

⁶ See <https://www.visitmesquite.com/about/>.

⁷ U.S. Department of Commerce. 2016. Bureau of Economic Analysis, Regional Economic Accounts, Washington, DC; U.S. Department of Commerce. 2017. Census Bureau, County Business Patterns, Washington, DC.

Activities and Resources Associated With GCPNM

Activities taking place on and resources within the GCFNM include:

- Recreation:** As described in the Final Environment Impact Statement (FEIS) associated with the GCPNM Resource Management Plan, GCPNM's remote, open, sparsely developed area and engaging scenery provides a wide array of dispersed recreation opportunities for moderately regulated recreation. Exploration, driving for pleasure, hiking, backpacking, camping, picnicking, big and small game hunting, and wildlife observation are the most common activity types. Motorized or mechanized vehicle, small aircraft, walking, or equestrian are typical modes of travel. Approximately 30,000 visits to the GCPNM resulted in \$1.8M in expenditures in local gateway regions in 2016. These expenditures supported a total of 27 jobs, \$0.9 million in labor income, \$1.5 million in value added, and \$2.6 million in economic output in local gateway economies surrounding the Monument. The total consumer surplus associated with recreation at the GCPNM in 2016 was estimated to be \$2.4M. This estimate is based on average consumer surplus values and participation counts for camping, big game hunting, other hunting, mountain biking, hiking, off highway vehicle, and general recreation.⁷ The Proclamation's prohibition of all motorized and mechanized vehicle use off road was implemented through travel management decisions during the planning process. In general, the BLM considered motorized and mechanical use on existing routes to be consistent with the Proclamation. The BLM, based on input from interested stakeholders, classified existing routes open, closed, or administrative. The analysis in Final Environmental Impact Statement (FEIS) concluded that routes identified for closure would have negligible impact on recreational OHV use and the businesses in nearby communities that cater to those users.

Table 2. Estimated Economic Contributions, 2016

| Activities | Economic output (\$millions) | Value added (net additions to GDP), \$ millions | Employment supported (number of jobs) |
|-------------|------------------------------|---|---------------------------------------|
| Recreation* | \$2.6 | \$1.5 | 27 |
| Grazing | \$3.7 | Grazing value-added is not available | 100 |

*Source: BLM data

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The BLM utilizes the Recreation Management Information System (RMIS) to report visitation. The RMIS, implemented in 1984, is the agency's official system of record for recreation information relating to recreation visitation, permits, and partnerships. Visitation information is based on the best available collection tools and data. Providing definitive visitation

Table 2. Estimated Economic Contributions, 2016

| Activities | Economic output (\$millions) | Value added (net additions to GDP), \$ millions | Employment supported (number of jobs) |
|-------------|------------------------------|---|---------------------------------------|
| Recreation* | \$2.6 | \$1.5 | 27 |
| Grazing | \$3.7 | Grazing value-added is not available | 100 |

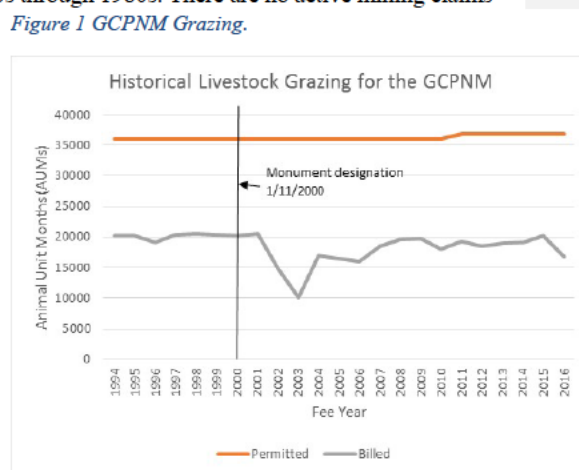
*Source: BLM data

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⁷ Recreation unit value is a survey-based value for general recreation for the Intermountain region from the USGS Benefit Transfer Toolkit <https://my.usgs.gov/benefit-transfer/>. Economic value is the net benefit to recreational users (total benefits minus total costs).

information at each National Monument is difficult to quantify, given the numerous factors influencing visitation and collection of visitor information data. Federal land managers are continually improving the methodology and technological resources for visitation reporting.

- **Energy:** The FEIS identified moderate potential for oil and gas and geothermal resources and no potential associated with coal, although the level of certainty associated with these ratings varies. Furthermore, the ratings were associated with the Planning Area as a whole so the potential within the GCPNM may differ. There are no active energy-related mineral production and no existing energy related right-of-way developments (including renewable developments) within the Monument. Given the remote setting and limited access, there has been very little interest in energy resources in recent decades. The designation withdrew the Monument from location, entry, and patent under mining laws, subject to valid existing rights.
- **Non-Energy Minerals:** The FEIS identified moderate potential for sodium and high potential for metallic minerals, uranium, gypsum, and mineral materials (such as sand, stone, gravel, pumicite, and clay). Again, the ratings were associated with the Planning Area as a whole so the potential within the GCPNM may differ. The FEIS describes historical mining within the Monument associated primarily with copper and residual amounts of the other metals and hardrock minerals as well as uranium ore exploration. These activities occurred in the 1910s through 1980s. There are no active mining claims in the Monument. Given the remote setting and limited access, there has been very little interest in non-energy mineral resources in recent decades. The designation withdrew the Monument from location, entry, and patent under mining laws, subject to valid existing rights.
- **Grazing:** The BLM issues and administers grazing leases on both BLM and NPS administered lands within the Monument. The Proclamation states that management with respect to livestock grazing would not be altered by the designation of the Monument. At the time of the FEIS (based on 2004 data), the BLM administered 28 grazing allotments and managed them in cooperation with 25 permittees throughout the Monument. The permits authorized 38,000 Animal Unit Months (AUMs), primarily associated with cattle operations. Figure 1 shows permitted and billed AUMs from 1994 through 2016.



The figures shows that permitted AUMs have remained relatively stable over the 23 year period. Billed use (which approximates actual use) has fluctuated over time and ranging from a low of 28 percent to a high of 57 percent of the permitted AUMs. Various reasons, in any given year, affect the number of AUMs used by permittees such as drought conditions, market forces, and fluctuations in individual permittee livestock operations. Based on the 5-year average of recent annually billed AUMs (18,758), livestock grazing on the Monument has supported approximately 100 paid and unpaid (i.e., family labor) jobs annually resulting in approximate \$980 thousand in labor income and generating about \$3.7 million in total economic output.

- **Timber:** Upon designation, the BLM and NPS were directed to only permit the sale of vegetative material if part of an authorized science-based ecological restoration project. The FEIS describes the limited opportunities and interest⁸ in commercial use of woodland products from within the Monument. No commercial activity associated with timber has⁸ been reported in the Monument area since the 1960s. The remote nature of the Monument and the relatively small and spread out acreage of ponderosa pine (compared to the nearby Kaibab National Forest) makes timber harvest on the Monument challenging from an economic standpoint.
- **Resource values:** Monument designation is intended to protect scientific and historic objects. In general, these objects are valued by society but those values are not bought or sold in the marketplace and therefore difficult to quantify. Below is a brief overview of the objects identified in Proclamation that the designation is intended to protect⁸:
 - **Scientific Investigation:** Scientific research and opportunities associated with the ponderosa pine ecosystem in the Mt. Trumbull area and ecological research opportunities made possible by the vast, remote, and unspoiled landscapes.
 - **Cultural (Historic and Archaeological) and Paleontological Resources:** Undisturbed archaeological evidence, displaying the long and rich human history spanning more than 12,000 years. Historic resources, including evidence of early European exploration, Mormon settlements, historic ranches, sawmills, and old mining sites. Abundant fossil record.
 - **Cultural Tribal Resources:** Individuals from the Hopi, Southern Paiute, Hualapai, and Havasupai tribes continue visiting sites, gathering, and using resources in the Monument.
 - **Recreation:** The value of recreation opportunities and experience extend beyond the economic activity supported by visitors to the Monument. The Monument provides iconic western viewsheds in a setting known for its solitude, natural soundscapes, internationally recognized night skies, and wilderness values.

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Land Management Tradeoffs

This section presents some information to help understand land management tradeoffs. (b) (5) DPP

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⁸ In addition to the Proclamation, Chapter 1 of the FEIS provides a more detailed description of these objects and their significance.

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Grand ~~Staircase-Escalante~~Staircase- Escalante National Monument

Economic Values and Economic Contributions

DRAFT



Grand Staircase-
Escalante National
Monument

Introduction

The purpose of this paper is to provide information on the economic values and economic contributions of the activities and resources associated with ~~Grand Staircase-Escalante~~ National Monument (GSENM) as well as to provide a brief economic profile of Kane and Garfield counties.

Background information

Grand ~~Staircase-Escalante~~Staircase-Escalante National Monument, which encompasses 1,866,331 acres in Kane and Garfield counties in Utah, was established in 1996 by President Clinton to protect an array of historic, biological, geological, paleontological, and archaeological objects. It was the first ~~National m~~Monument under Bureau of Land Management (BLM) multiple use management. Since designation, there have been two congressional boundary adjustments as well as an exchange of all of the State of Utah School and Institutional Trust Lands Administration (SITLA) lands within the Monument boundaries. In May 1998, Secretary of the Interior Bruce Babbitt and Utah Governor Michael Leavitt negotiated a land exchange to transfer all State school trust lands within the Monument to the Federal government, as well as the trust lands in the National Forests, National Parks and Indian Reservations in Utah. On October 31, 1998 President Clinton signed the Utah Schools and Lands Exchange Act (Public Law 105-335) which legislated this exchange. The federal government received all State inholdings in GSENM (176,699 acres) while the State received \$50 million in cash plus \$13 million in unleased coal and approximately 139,000 acres, including mineral resources. The federal government received additional State holdings within other NPS and US Forest Service units as part of the same exchange. On October 31, 1998, President Clinton also signed Public Law 105-355. Section 201 of this law adjusted the boundary of the Monument by including certain lands (a one-mile wide strip north of Church Wells and Big Water) and excluding certain other lands around the communities of Henrieville, Cannonville, Tropic, and Boulder. This law resulted in the addition of approximately 5,500 acres to the Monument. In 2009, H.R. 377, the Omnibus Public Land Management Act (Public Law 111-11), directed a boundary change and purchase for the Turnabout Ranch, resulting in the removal of approximately 25 acres from GSENM.

Public Outreach

GSENM was designated in 1996 without public engagement. However, the area in southern Utah had long been considered, discussed and evaluated for the possibility of providing greater recognition of, and legal protection for, its resources. In 1936, the National Park Service (NPS) considered making a recommendation to President Roosevelt to designate a 6,968 square mile “Escalante National Monument” (which also extended to portions of Bears Ears National Monument). A second NPS proposal proposed a 2,450 square mile National Monument. In the late 1970s, under the authority of Section 603 of the Federal Land Policy and Management Act of 1976 (FLPMA), the BLM evaluated the area for its wilderness characteristics. The Section 603 process ultimately led to the establishment of more than a dozen ~~W~~wilderness ~~S~~study ~~A~~reas (WSAs), totaling about 900,000 acres, in the area that is now GSENM.

Grand Staircase-Escalante National Monument, Utah

Location: Kane County, Garfield County, UT

Managing agencies: BLM

Adjacent cities/counties/reservations: Dixie National Forest, Capitol Reef National Park, Glen Canyon National Recreation Area, Bryce Canyon National Park, other ~~Bureau of Land Management~~ (BLM) administered lands, and Kodachrome Basin State Park

Resource Areas:

☒ Recreation ☒ Energy ☒ Minerals
☒ Grazing ☐ Timber ☒ Scientific

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GSENM’s Monument Management Plan included substantial outreach, public scoping and comment periods according to land use planning regulations and policies. Over 6,800 individual letters were received during the public scoping period. During the planning process, the planning team conducted 30 public workshops, both to elicit initial input during the scoping process and to hear comments on the Draft Management Plan after its release. The team held dozens of meetings with American Indian tribes, local, State, and Federal government agencies, and private organizations to discuss planning issues of concern to each party. Similar public outreach efforts are underway for the Livestock Grazing Monument Management Plan Amendment and Environmental Impact Statement.

Local Economy and Economic Impacts

Combined, Kane and Garfield counties make up less than half a percent of Utah’s population. Current unemployment rates are similar to the state average in Kane County, but higher in Garfield County. Median household income is similar in the two counties but lower than at the State level (Table 1). The accommodation and food services industry is the largest by employment in both Kane and Garfield counties (see Figure 1).

Table 1. Economic Profile for Kane and Garfield Counties

| Measure | Kane County | Garfield County | Utah |
|--|----------------|--------------------|-----------|
| Population, 2015 | 7,131 | 5,009 | 2,995,919 |
| Unemployment rate, March 2017 ^a | 3.3% | 7.6% | 3.1% |
| Median Household Income (2015) ^b | \$47,530 | \$45,509 | \$62,961 |

^a <http://www.jobs.utah.gov/wi/pubs/une/season.html>

^b <https://jobs.utah.gov/wi/pubs/wni/income/index.html>

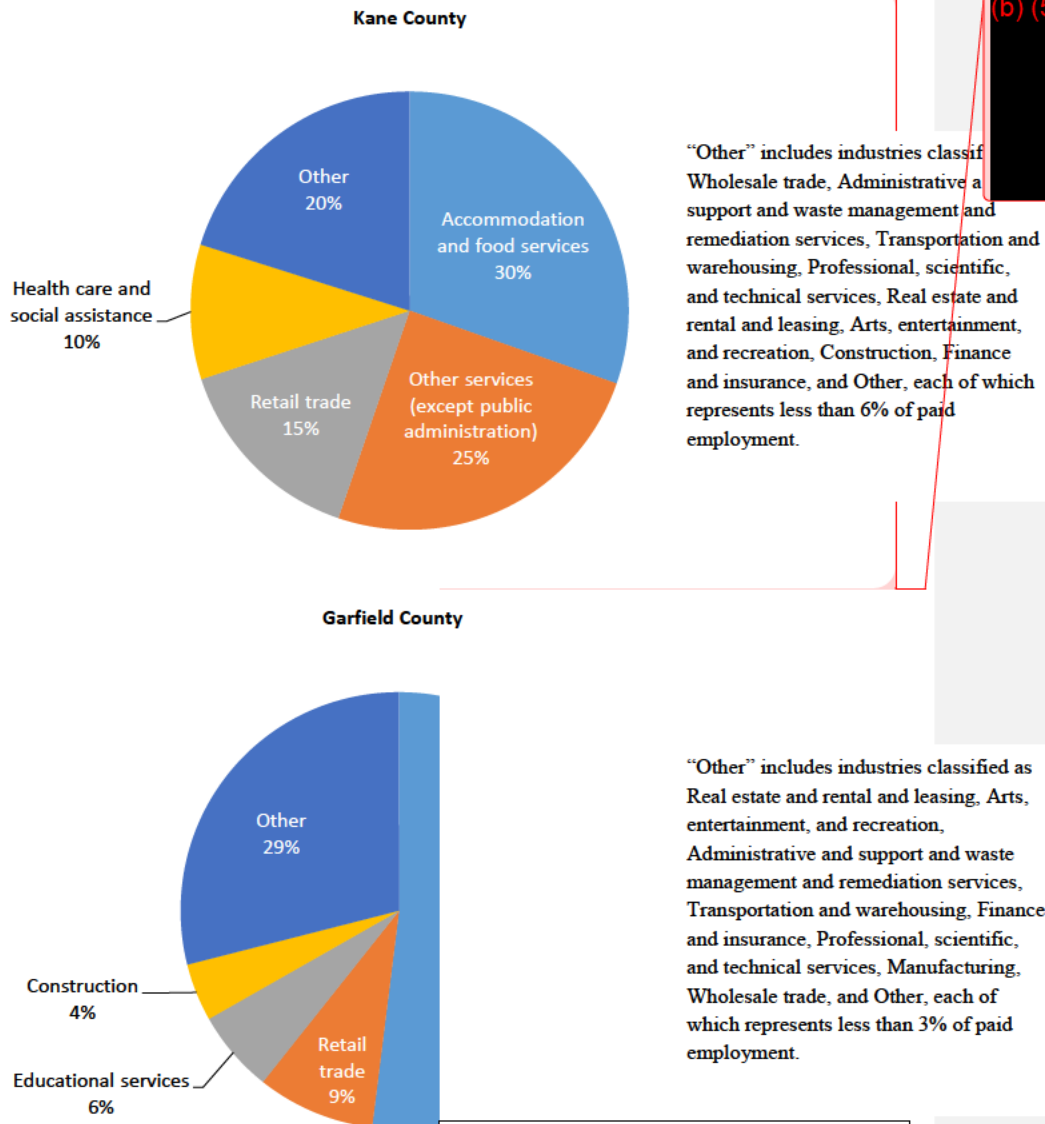


Figure 1. Percent employment by sector in Kane and Garfield Counties, 2015

Information is provided below on two different types of economic information: “economic contributions,” and “economic values.” Both types of information

Definitions

Value Added: A measure of economic contributions; calculated as the difference between total output (sales) and the cost of any intermediate inputs.

Economic Value: The estimated net value, above any expenditures, that individuals place on goods and services; these are particularly relevant in situations where market prices may not be fully reflective of the values individuals place on some goods and services.

Employment: The total number of jobs supported by activities.

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are informative in decision-making. Economic contributions track expenditures as they cycle through the local and regional economy, supporting employment and economic output (see Table 2). Economic values, on the other hand, represent the net value, above any expenditures, that individuals place on goods and services (see Table 3). These values are particularly relevant in situations where market prices may not be fully reflective of the values individuals place on some goods and services.

Activities and Resources Associated with Grand ~~Staircase-Escalante~~ Staircase-Escalante National Monument

Information on the activities taking place on GSENM are provided below.

- **Recreation:** Grand ~~Staircase-Escalante~~ Staircase-Escalante

National Monument provides a large variety of multiple-use recreation opportunities including traditional hiking and camping, hunting, fishing, horseback riding, mountain biking, as well as motorized activities for off-highway vehicles. Visitation has increased since designation,

rising from an estimated 456,369 visits in 1997 to 926,236 visits in 2016 (Figure 2). BLM also issues commercial Special Recreation Permits (SRPs) for GSENM. SRPs are authorizations that allow specified recreation use of the public lands and related waters. At GSENM commercial SRPs cover a wide range of activities including general guide/hiking service, hunting & fishing guides, ATV/vehicle experiences, educational events (geology classes, etc.), horseback riding, and bicycling. The number of permits issued has increased from 35 in 1999 to 115 in 2017.¹ Recreation activities provide the opportunity for economic activity to be generated from tourism for an indefinite period of time. Recreational visitors spend money at local businesses, and that spending can lead to economic contributions that affect regional and state economy. The economic contributions occur annually, and in cases where visitation increases over time, recreation generates additional activity each year. The net economic contributions associated with recreation in 2016 are estimated to be about \$51 million in value added and 1,024 jobs (Table 2).²

The BLM utilizes the Recreation Management Information System (RMIS) to report visitation. The RMIS, implemented in 1984, is the agency's official system of record for recreation information relating to recreation visitation, permits, and partnerships. Visitation information is based on the best available collection tools and data. Providing definitive visitation information at each National Monument is difficult to quantify, given the numerous factors influencing visitation and collection of visitor information data. Federal land managers are continually improving the methodology and technological resources for visitation reporting.

Table 2. GSENM Estimated Economic Contributions, 2016

| Activities | Value added (net addition to GDP), \$ millions | Employment supported (number of jobs) |
|------------|--|---|
| Recreation | 50.78 | 1,024 |
| Oil | | |
| Gas | | |
| Grazing | Grazing value-added is not available | 184 |

¹ BLM data.

² BLM data.

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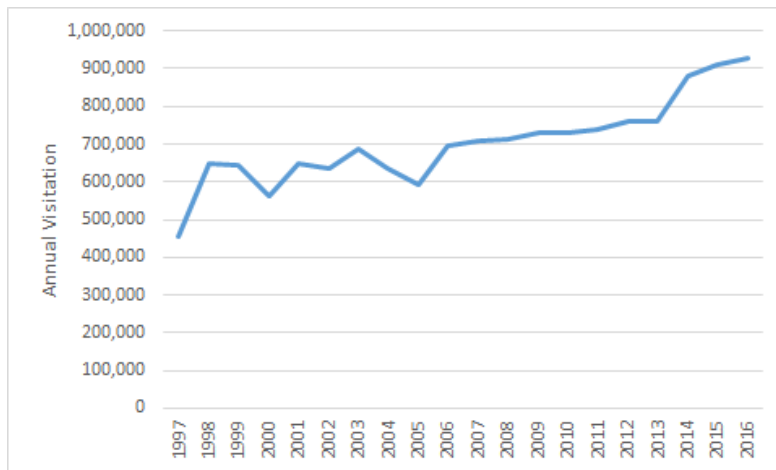


Figure 2. Annual Visitation to Grand ~~Staircase-Escalante~~Staircase-Escalante National Monument

- **Energy:** In general, the scope, magnitude, and timing of energy and minerals activities are closely related to supply and demand conditions in world markets and the market prices of mineral commodities. Since designation, there has been some oil and gas production, but no coal production or exploration.

- **Coal.**

- Exploration and Production in GSENM:

- No coal lands have been explored ~~nor~~ coal produced within the GSENM since designation. Existing coal leases were voluntarily exchanged for Federal payments totaling \$19.5 million (not adjusted for inflation) in Dec. 1999/Jan. 2000. As many as 23 companies acquired coal leases in the 1960s.
 - 64 coal leases (~168,000 acres) were committed and a plan was submitted for Andalex Resources' Smoky Hollow Mine prior to designation. At the time of designation, the Warm Springs Smoky Hollow DEIS was in progress to analyze the proposed mine. The plan proposed mining on 23,799 acres of the area leased in GSENM. In the mid-1990's, an EIS was initiated. In December 1999, the Andalex coal leases were voluntarily sold to the U.S. Government using Land and Water Conservation Fund funding for \$14 million.³

- Coal Resources in GSENM:

- Most of the coal resources in the Monument are within the Kaiparowits Plateau Coal Field, which contains one of the largest undeveloped coal resources in the United States. An estimated 62.3 billion tons of original coal resources (coal beds > 1 foot thick) are contained in the Kaiparowits coal field, with an estimated 44.2 billion tons within the Monument.⁴ In 1997, the Utah Geological Survey indicated that around 11.36 billion tons of the coal in the Kaiparowits Plateau

³ BLM data.

⁴ 1996-1997 BLM Kaiparowits Coal Report.

coal filed are estimated recoverable.⁵ It is possible that advances in underground coal mining techniques would result in additional coal being considered minable compared to estimates from the 1990s. In addition to the Kaiparowits Plateau Coal Field, the Monument contains some coal resources in the ~~e~~Eastern portion of the Alton - Kanab Coal Field, which are generally of lower quality than the coal in the Kaiparowits Plateau.

- The Kaiparowits Plateau coal resources in the GSENM are estimated to make up 59% of the potentially recoverable coal in Utah, as of 2015.⁶

Utah Coal Market:

- In 2015, the vast majority of coal consumed in Utah (96%) was used at electric power plants. The remaining coal (3.9%) was consumed by the industrial sector at cement/lime plants and Kennecott Utah Copper's power plant (182 MW capacity), which provides electricity for copper smelting.⁷
- The majority of Utah coal, 80% in 2015, was used in state, while 17% was shipped out of state (up to 60% of Utah coal was shipped to others states in the early 2000s), and 3% was shipped to other countries. Domestic exports have significantly decreased in recent years as several electric plants and industrial users in California and Nevada have switched to natural gas.⁸ California, which historically was Utah's largest coal customer, is in the process of eliminating coal use. Nevada was the next largest domestic consumer of Utah's coal, but Nevada also has decided to phase out coal use in electricity generation.⁹
- Utah's electricity portfolio is dominated by coal-fired power plants. However, several natural gas plants have been built in the past 15 years, decreasing Utah's reliance on coal generation. There are currently ~~5-five~~ coal-fired power plants in Utah. All of these plants are in the central part of the state.¹⁰
- About half of the coal burned in-state is delivered by truck to power plants and industrial users, and the other half is delivered by rail.¹¹ Transportation costs can contribute a large share of the costs associated with using coal as an energy resource, and can be a factor in determining the extent to which a given coal resource is economic to develop.

○ **Oil & Gas.**

- As of 1997, 47 wildcat wells had been drilled within the ~~monument~~ Monument (24 in Garfield County and 23 in Kane County). Oil production is concentrated in the Upper Valley (UV) field; 5 of the 22 wells in the UV field lie within the National Monument. In addition to the producing wells, there are also ~~2-two~~

⁵ Utah Geological Survey. 1997. A Preliminary Assessment of Energy and Mineral Resources within the Grand Staircase-Escalante National Monument. Circular 93.

⁶ Vanden Berg, Michael D. 2016. Utah's Energy Landscape. Circular 121, Utah Geological Survey.

⁷ Vanden Berg, Michael D. 2016. Utah's Energy Landscape. Circular 121, Utah Geological Survey.

⁸ Vanden Berg, Michael D. 2016. Utah's Energy Landscape. Circular 121, Utah Geological Survey.

⁹ U.S. Energy Information Administration. 2016. Utah State Energy Profile.

¹⁰ Vanden Berg, Michael D. 2016. Utah's Energy Landscape. Circular 121, Utah Geological Survey.

¹¹ U.S. Energy Information Administration. 2016. Utah State Energy Profile.

water injection wells in the ~~monument~~ Monument. There are no oil and gas pipelines in the region, all of the oil is trucked 300 miles to refineries in Salt Lake City.¹²

- The Upper Valley Oil Field was in production prior to designation; no other oil and gas production existed in Kane and Garfield Counties. From 1992 until 1996, 336,313 barrels of oil were produced in the GSENM. No natural gas was produced during that time.¹³
- Four wells within the GSENM are currently producing oil and a small amount of gas. The UVU was approved in 1962 and production from the wells peaked in 1972 at 183,133 barrels. In the last 20 years (1997-2016) production has slowly declined from about 65,828 barrels of oil and no gas annually to 45,538 barrels of oil and 2,357 thousand cubic feet (mcf) of gas (Figures 3 and 4).¹⁴ There is no other oil and gas production in GSENM, or Kane and Garfield Counties.
- 34 oil and gas leases (45,894 acres) are in suspension while a Combined Hydrocarbon Lease (CHL) conversion application is processed.¹⁵

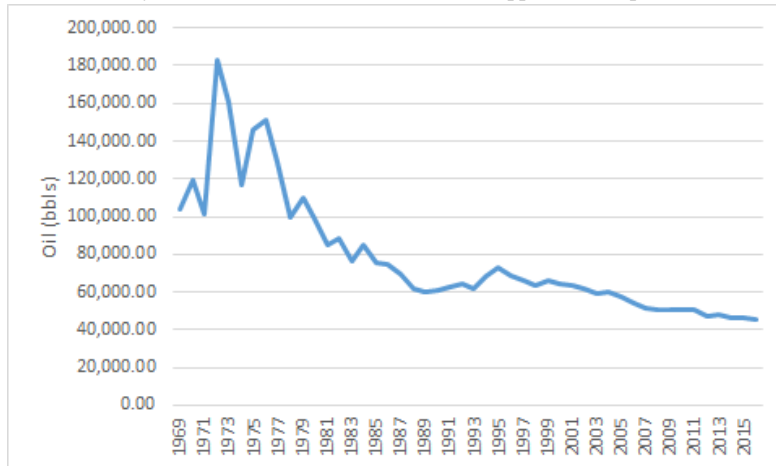


Figure 3. Oil Production on Grand ~~Staircase-Escalante~~ Staircase-Escalante National Monument

¹² Utah Geological Survey. 1997. A Preliminary Assessment of Energy and Mineral Resources within the Grand Staircase-Escalante National Monument. Circular 93.

¹³ BLM data.

¹⁴ BLM data.

¹⁵ BLM data.

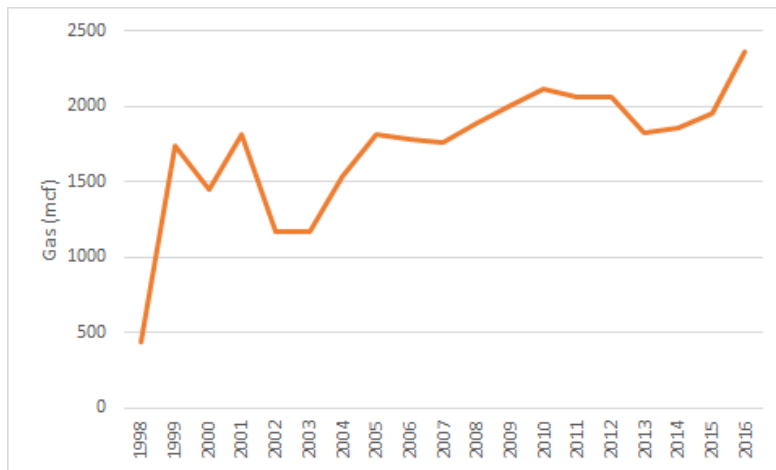


Figure 4. Gas Production on Grand ~~Staircase-Escalante~~ Staircase-Escalante National Monument

- Non-Energy Minerals:** Five small mining operations are permitted within the Monument. Four are active quarries for alabaster, and the fifth is a suspended operation for petrified wood.¹⁶ These claimants failed to pay the required annual filings and therefore, the claims were terminated. The BLM’s decision to close the claims was upheld by Interior Board for Land Appeals in March 2008. Since that time, there have been no mining law operations within the ~~monument~~ Monument. Valid existing permits, including those in Title 23 (3 Federal Highway Rights of Way), continue to be recognized until permit expiration. Significant quantities of gravel and riprap from existing pits continue to be provided for Federal Highways projects, primarily to Utah Department of Transportation.¹⁷
- Grazing:** Grazing is allowed within Grand ~~Staircase-Escalante~~ Staircase-Escalante National Monument. When the Monument was designated, there were 106,645 total Animal Unit Months (AUMs), with 77,400 Permitted AUMs.¹⁸ Today, there are 106,202 total AUMs and 76,957 permitted AUMs. Total AUMs is the sum of permitted AUMs plus suspended AUMs.¹⁹ The number of permitted AUMs represents the most AUMs that may be used under ideal conditions. No reductions have occurred as a result of Monument designation, though small reductions within limited areas have taken place under normal BLM procedures to protect riparian resources and to address other issues.

¹⁶ Utah Geological Survey. 1997. A Preliminary Assessment of Energy and Mineral Resources within the Grand Staircase-Escalante National Monument. Circular 93.

¹⁷ BLM data.

¹⁸ BLM measures an AUM as the amount of forage needed to sustain one cow and her calf, one domestic horse, or 5 sheep or goats for one month. <https://www.blm.gov/programs/natural-resources/rangelands-and-grazing/livestock-grazing/fees-and-distribution>.

¹⁹ Suspended AUMs are those initially adjudicated and are no longer available for use on an annual basis. These are carried forward in case they become available for use in the future from changes such as vegetation restoration, or improved water making more forage available.

Grazing use levels vary from year to year depending on factors such as drought. Total AUMs billed were 41,597 in 2016, with an average of 44,164 AUMs billed annually since 1996. Figure 5 shows the number of AUMs permitted and billed annually from 1991 through 2016. Billed AUMs represent an average of 58% of permitted AUMs since designation. Billed AUMs for 2016 were associated with economic output of about \$8.3 million and supported about 184 jobs in the local economy.²⁰

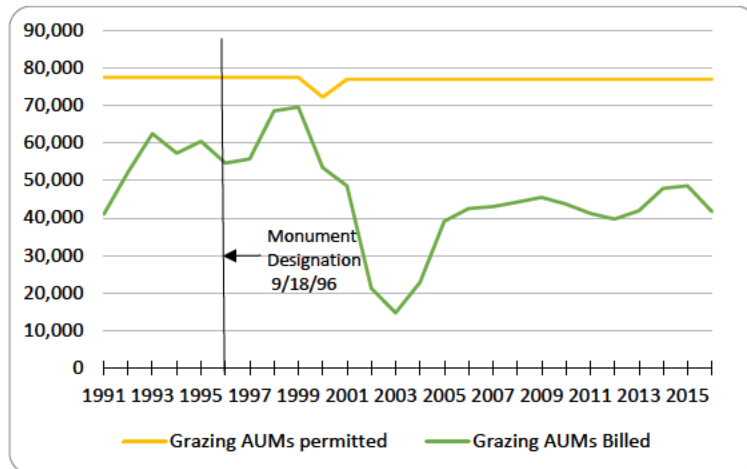


Figure 5. AUMs Permitted and Billed on Grand ~~Staircase-Escalante~~ Staircase-Escalante National Monument

- **Timber:** No commercial timber harvest is allowed within Grand ~~Staircase-Escalante~~ Staircase-Escalante National Monument. Non-commercial Firewood harvest is allowed in two forestry product areas.
- **Cultural/Tribal/Archeological:** Archaeological surveys carried out to date show extensive use of places within the ~~monument~~ Monument by ancient Native American cultures and a contact point for Anasazi and Fremont cultures. Hundreds of recorded sites include rock art panels, occupation sites, campsites and granaries. Cultural sites include historic and prehistoric sites, Traditional Cultural Properties, Native American Sacred Sites and cultural landscapes. According to the Utah State Historic Preservation Office (SHPO), as of March 6, 2017, there are 3,985 recorded archaeological sites within GSENM. However, the GSENM staff estimates that there are more likely around 6,000 recorded archaeological sites within the GSENM, due to a records backlog. This is with only five to seven percent of the Monument surveyed. Prehistoric archaeological sites in the GSENM include pottery and stone tool (lithic) scatters, the remains of cooking features (hearths), storage features such as adobe granaries and subsurface stone lined granaries, prehistoric roads, petroglyphs, pictographs and cliff dwellings. Historic sites include historic debris scatters, roads, trails, fences, inscriptions, and structures. Following

²⁰ BLM data.

the designation of GSENM, consultations were initiated with the Native American tribes associated with the GSENM area, including the Hopi, the Kaibab Paiute, the San Juan Paiute, the Paiute Indian Tribes of Utah, the Zuni, and the Ute, and the Navajo. Over the past 20 years, the Hopi and the Kaibab Paiute have been most closely associated with the Monument and most responsive to continued consultations, as the GSENM area is central to the historic and prehistoric territories of these two tribes.

Local ranching began in the 1860s, and became a major focus of area livelihood and increased settlement in the 1870s. Ranching was initially small scale and for local subsistence, but the herds quickly grew so that by the late 1800s the raising of cattle, sheep, and goats was of major economic importance. Ranching and subsistence farming was historically the backbone of the local economies, and this is still reflected in the views of the modern communities surrounding GSENM. In modern times the economic importance of ranching has somewhat diminished, but the culture of, and past history of, livestock grazing and ranching is one of the important “glues” that binds local communities and families in the GSENM area.

- **Scientific/Paleontological:** Approximately six percent of the area has been surveyed (120,000 acres), with 3,350 documented paleontological sites. Several new discoveries have been made including: 12 new dinosaurs (including four in 2017); 11 new mammal species; ~~3~~two new species of marine reptile; ~~2~~two new crocodile species; ~~3~~three new turtle species; ~~4~~one new lizard species; and several new shark and bony fish species. A Paleontological Traveling Exhibit Program annually provides opportunities to more than 12,000 people to see real fossils and related reconstructed specimens of dinosaurs excavated on GSENM.

Land Management Tradeoffs

This section presents some information to help understand land management tradeoffs. (b) (5) DPP

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| Table 3. Summary of Activities and Economic Values, 2016 | | | | |
|--|--|--|---|--|
| Activities | Level of annual activity | Unit value | Timing | Drivers of current and future levels of activity |
| Recreation | 926,236 visitor days (FY 2016) | \$54.19/visitor day ^a | Visitation could continue indefinitely if landscape resources remain intact and of sufficient quality. | Societal preferences for outdoor recreation; disposable income; changing individual preferences for work and leisure time |
| Oil | 45,538 bbls (2016) | FY 2016 average price crude oil (WTI): \$41.34/bbl ^b | Development of energy and non-energy minerals is subject to market forces (worldwide supply and demand, prices). Mineral extraction is non-renewable and occurs only as long as the resource is economically feasible to produce. | Market prices of energy commodities affect both supply and demand. |
| Gas | 2,357 mcf (2016) | FY 2016 average price: \$2.29/mcf ^b | | |
| Coal | None. See "Coal" section for more information. | May 2017 Utah average coal price: \$38.19/ton ^c | | |
| Non-energy Minerals | None. See "Non-energy Minerals" section for more information. | 2016 estimated price for gypsum (crude f.o.b mine): \$9.00/metric ton ^d | | Market prices of non-energy commodities affect both supply and demand. Mineral production is limited to 200,000 cubic yards over a 10-year period per the existing resource management plan. |
| Grazing | 41,567 AUMs billed (2016) | 2016 grazing fee: \$2.11/AUM | Grazing could continue indefinitely if forage resources are managed sustainably. | Market prices for cattle and sheep and resource protection needs and range conditions (due to drought, fire, etc.) can affect AUMs permitted and billed. |
| Cultural/archeological resources | Indigenous communities often use natural resources to an extent and in ways that are different from the general population, and the role that natural resources play in the culture of these indigenous communities may differ from that of the general population. Culturally important sites and unique natural resources, by definition, have limited substitutes. Recognizing this is a critical consideration in land management because it may affect consideration of tradeoffs. Archaeological surveys carried out to date show extensive use of places within the monument-Monument by ancient Native American cultures and a contact point for Anasazi and Fremont cultures. To date, approximately 6% of GSENM has been surveyed. | | | |

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| Table 3. Summary of Activities and Economic Values, 2016 | |
|--|--|
| Scientific/Paleontological resources | Approximately 6% of the area has been surveyed. New discoveries include: 12 new dinosaurs, 11 new mammal species, 3 new marine reptile species, 2 new crocodile species, 3 new turtle species, 1 new lizard species, and several new shark and bony fish species. |
| Benefits of nature | Services provided by nature underpin all sectors of a local economy. As many of these services are not sold in markets, we have limited information on their prices or values. <u>Specific benefits related to GSENM include protection of scenic and geologic resources, cryptobiotic soils, and habitats for mountain lion, bear, desert bighorn sheep, and more than 200 species of birds, and relict plant species as well as riparian corridors</u> |
| <p>^a This value represents the estimated consumer surplus associated with general recreation for the Intermountain region from the USGS Benefit Transfer Toolkit (https://my.usgs.gov/benefit-transfer/). Consumer surplus represents values individuals hold for goods and services over and above expenditures on those goods and services.</p> <p>^b Prices from EIA.gov</p> <p>^c Coal price from ONRR May 2017 Monthly Market Analysis Report.</p> <p>^d Gypsum price from USGS: https://minerals.usgs.gov/minerals/pubs/commodity/gypsum/mcs-2017-gypsu.pdf</p> | |

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Ironwood Forest National Monument

Economic Values and Economic Contributions

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Introduction

The purpose of this paper is to provide an overview of the economic values and economic contributions of the activities and resources associated with Ironwood Forest National Monument (IFNM or the Monument). The IFNM is located in Pinal and Pima counties, Arizona, approximately 80 miles south of Phoenix and 25 miles northwest of Tucson, Arizona. For context, this paper provides a brief economic profile of Pinal and Pima counties.

Background

The IFNM was established by President Clinton on June 9, 2000 (Proclamation 7320) and is managed by the Bureau of Land Management (BLM). The Monument encompasses 188,628 acres including 129,358 acres of BLM-administered land, 54,741 acres of Arizona State Trust lands, 632 acres of Pima County lands, 299 acres of U.S. Department of Defense lands, and 3,589 acres of private land.¹ In addition, there are areas within the IFNM where Federal minerals underlie State Trust land (approximately 14,680 acres) or private land (approximately 3,220 acres); this is considered split estate. The IFNM Proposed Resource Management Plan / Final Environmental Impact Statement (PRMP/FEIS) summarizes the purpose of the Monument designation “to protect objects of scientific interest within the monument, including the drought-adapted vegetation of the Sonoran Desert, geological resources such as Ragged Top Mountain, and abundant archaeological resources.” To protect objects within the Monument, the Proclamation directed the following management:

- Prohibit all motorized and mechanized vehicle use off road, except for emergency or authorized administrative purposes and prepare a transportation plan that addresses action to protect identified objects (such as road closures or travel restrictions).
- Withdraw from all forms of entry, location, selection, sale, or leasing or other disposition under the public land laws including location, entry, and patent under the mining laws and mineral and geothermal leasing.
- Continue to issue and administer grazing leases and permits within the Monument.

The Proclamation also states that the establishment of the monument is subject to valid existing rights.

The IFNM Management Plan was approved in 2013. The plan reflects the requirements of the Proclamation as well as being responsive to issues identified by the public, stakeholders, and BLM specialists and managers during the scoping period and applicable federal and state laws, regulations, and BLM policies.

The IFNM is situated primarily in Pima County with portions of the Monument extending north into Pinal County. Eloy and Marana were identified in the FEIS as communities most likely affected by management of the Monument. In addition, the Tohono O’odham Nation borders the ~~western and southern boundaries of~~ the IFNM along the south and west.

¹ Acquisitions from willing sellers of private land within the Monument boundary added 358 acres of patented mining claims to protect endangered species habitat in 2014 and 602 acres to protect scenic views and vegetation in 2016, bringing the BLM-administered acres from 128,398 at monument designation to 129,358.

Ironwood Forest National Monument, Arizona

Location: Pinal and Pima counties, AZ

Managing agencies: BLM

Adjacent cities/counties/reservations:

City of Eloy, Town of Marana, Tohono O’odham Nation

Resources and Uses:

☒ Recreation ☐ Energy ☐ Minerals
☒ Grazing ☐ Timber ☒ Scientific Discovery
☒ Tribal Resources ☒ Cultural Resources

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Public Outreach Prior to Designation

The designation of the Monument evolved out of efforts by the Pima County Board of Supervisors. These efforts culminated in the *Proposal in Support of the Ironwood Preserve* that provided a discussion “for the need for the federal government to afford special protection for the Ironwood forest found in the Ragged Top and Silverbell Mountains. The proposal also included a copy of Resolution 2000-63 stating that the Pima County Board of Supervisors

“Requests that the United States of America through the Secretary of the Department of the Interior, consistent with the Sonoran Desert Conservation Plan, work cooperatively with Pima County to establish the Ragged Top and Silverbell Ironwood Preserve in the Silverbell Mountains.”

This proposal and resolution were delivered to former Secretary of the Interior Babbitt in March 2000. No public meetings were convened prior to the designation.

Local Economy and Economic

Impacts

Table 1 summarizes some key demographic and economic indicators for Pima County, Pinal County, and the State of Arizona. Pima County accounts for about 15 percent of the State’s population, making it the second most populated county in the State. A majority of the County residents live in the Tucson area. Pima County grew at a slower rate than the State since 1990 (50% compared to 81%). Although Pinal County is a more rural county, accounting for around 6 percent of the State’s population, the County’s population has grown at a significant rate since 1990 (235%). The unemployment rate in both counties is below the State’s rate. A substantial portion of the Pinal County workforce are employed in jobs outside the County. This observation is reflected in the ratio of jobs to population (23% in Pinal County compared to 53% for the State) and BEA personal income data that shows a significant net inflow of income. This pattern is likely attributable to the close proximity of Phoenix (Maricopa County) and Tucson to the County. The USDA Economic Research Service’s (ERS) county-level typology codes indicate that both Pima and Pinal counties are “non-specialized” indicating a diversity of industries driving their economies. That said, based on 2015 BEA data for both counties, the proportion of jobs in the government sectors exceeds the State (17.6% in Pima and 22.6 in Pinal compared to 12.5% for the State). Pima County has a relatively higher proportion of jobs in the health care and social assistance sector. Pinal County employees relatively more in the natural resource-related industries including farming (3.4%) and mining (1.8%). Together these two industries account for 5.2% of jobs (8.1% of earnings) compared to 1.5% of jobs (1.6% of earnings) in the State as a whole.

Table 1. Pima and Pinal Counties and State of Arizona Economic Snapshot

| Measure | Pima, AZ | Pinal, AZ | Arizona |
|--|----------|-----------|-----------|
| Population, 2016 ^a | 998,537 | 389,772 | 6,641,928 |
| Native American % of population ^a | 3.3% | 5.3% | 4.4% |
| Employment, December 2016 ^c | 500,592 | 90,119 | 3,542,969 |
| Unemployment rate, March 2017 ^b | 4.2% | 3.9% | 5.0% |
| Median Household Income, 2015 ^a | \$46,162 | \$49,477 | \$50,255 |

^a U.S. Census Bureau, 2011-2015 American Community Survey

^b <https://laborstats.az.gov/sites/default/files/documents/files/emp-report.pdf>

^c U.S. Bureau of Economic Analysis (BEA), Regional Economic Accounts Table CA25N

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Non-labor income (income from dividends, interest, and rent and transfer payments) as a source of total income has increased for both counties between 2000 and 2015 (accounting for 46% in Pima and 42% in Pinal in 2015 compared to about 40% for the State as a whole).

The racial and ethnic composition of Pima and Pinal counties are similar and comparable to the State as a whole. Generally, the percentage of non-Hispanic Whites is around 55 percent and about a third of the population identifies as Hispanic. Pinal County's proportion of Native American population is slightly higher than Pima County and the State.

As noted above, the ~~communities~~ City of Eloy (in Pinal County) and Town of Marana (in Pima County), ~~as well as~~ and the Tohono O'odham Nation were identified in the FEIS as communities most likely affected by management of the Monument. The City of Eloy has a population around 17,200 of which approximately 6,500 represents the resident prison population.² Eloy is located north of the IFNM and provides easy access via Interstate 10. Eloy is historically an agricultural community and continues to have an agriculture component to its economy. However, given the location of Eloy at the crossroads of interstates 8 and 10 and along the growth corridor midway between Phoenix and Tucson, the City has attracted other industries (manufacturing and service related).³ ~~Also between Phoenix and Tucson. The~~ the Town of Marana has a population of about 44,000 and ~~is~~ located east of the IFNM ~~also between Phoenix and Tucson~~. Marana's recently completed Economic Development Strategy describes the town ~~has having a~~ manufacturing and tourism based economy ~~but is also viewed by some as and a~~ "bedroom" community ~~for the greater Tucson area~~.⁴ The strategy recommends the Town of Marana target the information technology, advanced business services, manufacturing, and transportation, logistics, and distribution sectors for future economic development and diversification.

In the years following monument designation (2001-2015), the communities in Pima County neighboring the IFNM experienced strong growth, continuing previous growth trends. Population grew by 18%. Real personal income grew by 28%. Jobs grew by 15%. Real per capita income grew by 9%.⁵ The designation of the Monument appears to have not impacted economic growth in any negative manner.

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~~The BLM regularly consults with five Native American tribes who claim ancestral and/or traditional interest in the lands and resources of the Monument. These five federally recognized Tribes are: the Hopi Tribe, Pascua Yaqui Tribe, Tohono O'odham Nation, White Mountain Apache Tribe, and the Yavapai-Apache Nation. Tribes with ancestral ties to the region are known to have concerns about the treatment of human remains, funerary objects, sacred objects, and objects of cultural patrimony. Given the shared border between~~ Because the Monument ~~and shares a borders with~~ the Tohono O'odham Nation, which results in more ~~Reservation, the~~ direct effects to this tribe, relative to other tribal nations with interests in the area. The Tohono O'odham Nation uses areas of the Monument to continue traditional cultural practices, and has a long and well documented history of concern with the cultural and natural resources of the Monument. ~~are the clearest. While, the Tohono O'odham Nation includes approximately 28,000 members, according to the U.S. Census, the population residing on the Reservation and on off reservation Tribal Trust Land is approximately 9,800.⁵ The Tohono O'odham Nation has a land base of 2.8 million acres.~~

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² Arizona Office of Employment and Population Statistics.

³ See <http://www.accessarizona.org/business-item/city-of-eloy/> and <http://www.ci.eloy.az.us/280/About-Eloy>.

⁴ See <http://www.maranaaz.gov/economic-development/>.

⁵ U.S. Department of Commerce, 2016. Bureau of Economic Analysis, Regional Economic Accounts, Washington, DC; U.S. Department of Commerce, 2017. Census Bureau, County Business Patterns, Washington, DC.

⁶ U.S. Census, American Community Survey, 2011-2015. Tohono O'odham Nation Reservation and Off-Reservation Trust Land, AZ.

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Activities and Resources Associated With IFNM

Activities taking place on and resources within the IFNM include:

Table 2. Estimated Economic Contributions, 2016

• **Recreation:** Popular recreation activities in the IFNM include hiking, viewing wildlife and scenery, OHV use on designated roads or primitive roads, photography, camping, and hunting. A 2004 study conducted by the University of Arizona found that approximately 12,000 to 15,000 people visited the IFNM, primarily in the cooler months of November to April, with most of the use occurring on weekends. Recreation use has trended upward since the designation. The average number of visits to the IFNM over the last five fiscal years were estimated to be approximately 40,600⁶ resulting in \$2.4M annual expenditures in local gateway regions, on average. These expenditures support a total of 36 jobs, \$1.25M in labor income, \$2.1M in value added, and \$3.4M in economic output in local gateway economies surrounding the Monument. The average consumer surplus value for the area is \$54.19 per recreational visit, resulting in an estimated \$2.2M of economic value (net benefits) generated in 2016.⁷

| Activities | Economic output (\$millions) | Value added (net additions to GDP, \$millions) | Employment supported (number of jobs) |
|-------------|------------------------------|--|---------------------------------------|
| Recreation* | \$2.0 | \$1.5 | 27 |
| Grazing | \$1.6 | Grazing value-added is not available | 100 38 |

*Source: BLM data (visits represent 5-year average).

The Proclamation's prohibition of all motorized and mechanized vehicle use off road was implemented through travel management decisions during the planning process. The basic approach for implementing this prohibition was to identify areas of the Monument as open, limited, or closed to motorized and mechanical use.⁸ Then the BLM reviewed existing routes within areas designated as limited and, based on input from interested stakeholders, determined the type of travel, if any, that would be permitted on then existing routes and under what conditions. No motorized or mechanical travel would be permitted off existing routes designated for motorized or mechanical travel, except for emergencies. The final decisions reduced the number of miles of routes available for motorized and mechanical vehicle use (such as including bicycles) but continued to allow this travel on 124 miles of routes and on an additional 118 miles for mechanical use and administrative purposes. While not addressed in the Proclamation, the BLM did close the Monument to recreational target shooting activity in the approved management plan. The issue of recreational target shooting activity was a highly controversial component of the planning process.

The BLM utilizes the Recreation Management Information System (RMIS) to report visitation. The RMIS, implemented in 1984, is the agency's official system of record for recreation information relating to recreation visitation, permits, and partnerships. Visitation information is based on the best available collection tools and data. Providing definitive visitation information at each National Monument is difficult to quantify, given the numerous factors influencing visitation and collection of

⁶ Data from BLM's Recreation Management Information System.

⁷ Recreation unit value is a survey-based value for general recreation for the Intermountain region from the USGS Benefit Transfer Toolkit <https://my.usgs.gov/benefit-transfer/>. Economic value is the net benefit to recreational users (total benefits minus total costs).

⁸ No routes were designated as "open." No areas were designated as "open", the monument lands were designated "limited" or "closed."

[visitor information data. Federal land managers are continually improving the methodology and technological resources for visitation reporting.](#)

- **Energy:** Based on information in the FEIS, there is no production of oil and gas within the IFNM and no oil and gas has been discovered; however, the area is rated as having moderate potential. There is no production or potential for coal in the Monument. There are no official “Known Geothermal Resource Areas” and there are no significant geothermal energy resources currently in use within the Monument. However, Avra Valley, located in the eastern portion of the Monument, has been identified as having potential for the development of geothermal resources. The region including the IFNM area have been identified as having a high-potential for solar energy development.⁹ Potential for wind energy development in the region, including the IFNM, is considered low. The Monument contains ~~rights-of-ways~~ for energy transmission infrastructure and gas pipelines, totally 76.1 miles. The designation withdrew the Monument from location, entry, and patent under mining laws, subject to valid existing rights. Furthermore, the approved Resource Management Plan (RMP) allocated all BLM-managed lands within the IFNM as an exclusion area. This decision effectively prohibits new land use authorizations within the IFNM (including new transmission infrastructure, pipelines, or solar development); existing right-of-way authorizations would be allowed to continue and may be renewed in accordance with 43 CFR 2800, which regards rights-of-way under FLPMA. In the event that a land use authorization was required by law, mitigation could be required to ensure protection of monument objects.
- **Non-Energy Minerals:** The FEIS indicated that there is one known salt (sodium) deposit near the Monument and potential of deposits within the Monument. However, there is no production or leases for sodium production within the IFNM. At the time of designation there were 225 mining claims (associated with locatable minerals) within the Monument boundary but no active mines. The Silver Bell copper mine operates on adjacent private lands. No production information is available. The FEIS indicated that one industrial-grade limestone property is located within the Monument, but off of BLM-managed lands and has not been commercially developed. At the time of the FEIS, there were four salable mineral (mineral material) pit permits within the Monument, only one of which was active. The ~~Silver Bell~~[Red Hills](#) Pit produced crushed granite and other decorative landscape rock and was closed prior to designation. There are two mineral material quarries on adjacent private lands. The designation withdrew the Monument from location, entry, and patent under mining laws, subject to valid existing rights.
- **Grazing:** The BLM issues and administers grazing leases within the Monument. The Proclamation states that livestock grazing would not be altered by the designation of the Monument. At the time of the FEIS (based on 2004 data), the BLM administered leases on 11 grazing allotments. The leases authorize 7,849 Animal Unit Months (AUMs), primarily associated with cattle operations. The figure below shows permitted and billed AUMs from 1995 through 2016.

⁹ FEIS/PRMP

Figure 1. Historic Livestock Grazing, IFNM

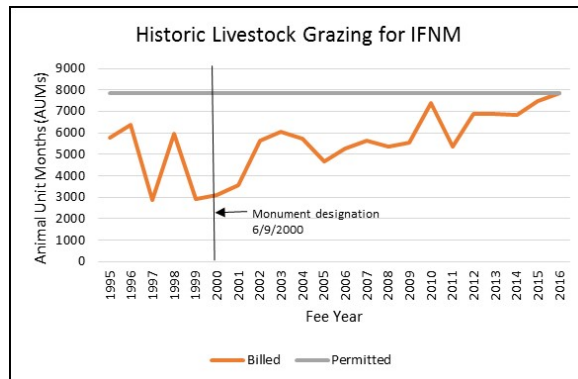


Figure 1 shows that permitted AUMs have remained the same over the 22 year period. Billed use (which approximates actual use) has fluctuated over time, but have generally trended upward since the designation of the Monument. Various reasons, in any given year, affect the number of AUMs used by permittees such as drought conditions, market forces, and fluctuations in individual permittee livestock operations. Based on 5-year average of recent billed AUMs (7,187), livestock grazing on the Monument has supported approximately 38 paid and unpaid (i.e., family labor) jobs annually resulting in approximate \$376 thousand in labor income and generating about \$1.4 million in total economic output.

- **Timber:** Timber resources are not ~~available-present~~ within the IFNM.
- **Resource values:** Monument designation is intended to protect biological and geological resources, and archaeological sites/objects of scientific and historic objects interest. In general, these objects are valued by society but those values are not bought or sold in the marketplace and therefore difficult to quantify. Below is a brief overview of the objects identified in Proclamation that the designation is intended to protect¹⁰:
 - **Scientific Investigation:** The IFNM contains biological and geological resources of scientific interest. Drought-adapted and unique vegetation is prevalent throughout the Monument. In particular, Ironwoods, which can live in excess of 800 years, generate a chain of influences on associated understory plants, affecting their dispersal, germination, establishment, and rates of growth as well as support a range of animal species in a variety of ways.
 - **Cultural Resources:** The area holds abundant rock art sites and other archaeological objects of scientific interest. Humans have inhabited the area for more than 510,000 years. As noted in the FEIS, sites of the Formative era (650 A.D. to 1400 A.D.) dominate the regional archaeological record especially sites associated with a culture known as the Hohokam.
 - **Tribal Resources:** Although not explicitly discussed in the Proclamation, five Native American tribes claim ancestral and/or traditional interest in the lands and resources of the Monument. In particular, the Tohono O’odham Nation, which shares a boundary with the Monument and, has an expressed interest in a variety of interests in indigenous plant

¹⁰ In addition to the Proclamation, Chapter 1 of the FEIS (Table 1-2: Protection of Objects Within the IFNM) provides a more detailed description of these objects and their significance.

resources, access for tribal members, the protection and preservation of archaeological and historical O’odham sites, and coordinated resources management on the Monument.

Land Management Tradeoffs

This section presents some information to help understand land management tradeoffs. (b) (5) DPP

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~~Mohave~~Mojave Trails National Monument

Economic Values and Economic Contributions

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Introduction

The purpose of this paper is to provide information on the economic values and economic contributions of the activities and resources associated with ~~Mohave~~~~Mojave~~ Trails National Monument (MTNM) as well as to provide a brief economic profile of San Bernardino and Riverside Counties.¹

~~Mohave~~~~Mojave~~ Trails National Monument

Managing agencies: BLM

Counties: San Bernardino, Riverside, CA

Gateway communities: Barstow; Needles; ~~Yucca~~

~~Valley~~~~Twentynine Palms~~

Tribes: Chemehuevi, Mojave and Serrano/Vanyume,

~~Morongo Band of Mission Indians, For Mojave Indian Tribe,~~

~~Pahrump Paiute Tribe, San Manuel Band of Mission Indians,~~

~~Twenty-nine Palms Band of Mission Indians~~ with transient or

joint use by bordering tribes including the Southern Paiute,

Kawaiisu and Shoshone people.

*Table 1. San Bernardino County and State of California
Economic Snapshot*

Background

The ~~Mohave~~~~Mojave~~ Trails National Monument encompasses 1.6 million acres of land in San Bernardino County (with minor acreage in Riverside County). The ~~monument~~~~Monument is in close proximate proximity~~ to major population centers in Southern California. The Monument was established in 2016 for the purposes of protecting lands that contained cultural, prehistoric, historic, geologic, ecological, and scientific resources, including objects of archaeological significance. Mojave Trails is bounded on two sides by National Park units (Joshua Tree National Park and Mojave National Preserve) and one side by the 29 Palms Marine Corps Air Ground Combat Center. ~~Prior to the establishment of the~~~~The~~ Monument ~~designation applies to~~ all Federal lands ~~lands~~ within the Monument boundaries ~~were~~ are managed by the BLM. Approximately 358,000 acres within the boundary represent Wilderness areas previously established by Congress, and 84,400 acres within the boundary ~~were~~ are managed by the BLM as the Cady Mountains Wilderness Study Area. Numerous other administrative designations exist within the monument including Areas of Critical Environmental Concern, National Natural Landmark, Research Natural Area, Special Recreation Management Areas and ~~Emerging~~ Extensive Recreation Management Areas.

Native Americans in the region regularly utilize lands within the MTNM. In addition, the monument provides many recreational opportunities, including hiking, camping, hunting, horseback riding, bicycle riding, ~~tours of Native American rock art sites~~heritage tourism and ~~historical ranches~~, and wildlife and wildflower viewing.

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¹ The BLM provided data related to public land resources used in this paper.

Public outreach prior to designation

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MTNM first appeared as a legislative proposal in 2009. After subsequent versions of the legislation failed to pass, Sen. Feinstein (D-CA) sent a letter to the President in August 2015 requesting designation of MTNM and two other national monuments under the Antiquities Act. Sen. Feinstein and other members of the California Congressional delegation hosted a listening session in October 2015, which was attended by Department of Interior and Agriculture officials.

Local Economy and Economic Impacts

Table 1 presents socio-economic information for San Bernardino County and the state of California. The County contains roughly 5% of the State's population. The population in San Bernardino County has grown about 50% since 1990. Over the last eight years, the unemployment rate in the county rose to about 13.5% in 2010 and has since declined to about 4.6% which is very close to the state average. Median household income is about 86% of the state average.

Figure 1 shows percentage employment by sector in San Bernardino County for 2015.² The health care sector was associated with the largest percentage of employment (20%), followed by the transportation/warehousing (11%) and manufacturing (11%).

Information is provided below on two different types of economic information: "economic contributions," and "economic values." Both types of information are informative in decision making. Economic contributions track expenditures as they cycle through the local and regional economy, supporting employment and economic output. Table 2 provides estimates of the economic contribution of activities associated with MTNM. It is estimated that recreation activities in the MTNM area supported about 460 jobs and provided about \$23 million in value added in FY 2016.

| Measure | San Bernardino County | State of California |
|--|-----------------------|---------------------|
| Population, 2015 ^a | 2,094,769 | 38,421,464 |
| Employment, December 2016 ^c | | |
| Unemployment rate, March 2017 | 4.6 | 4.5 |
| Median Household Income, 2015 ^a | 53,433 | 61,818 |

^aU.S. Census Bureau, 2011-2015 American Community Survey

^chttps://data.bls.gov/cew/apps/data_views/data_views.htm#tab=Tables

² U.S. Census Bureau County Business Patterns, 2015.

Definitions

Value Added: A measure of economic contributions; calculated as the difference between total output (sales) and the cost of any intermediate inputs.

Economic Value: The estimated net value, above any expenditures, that individuals place on goods and services; these are particularly relevant in situations where market prices may not be fully reflective of the values individuals place on some goods and services.

Employment: The total number of jobs supported by activities.

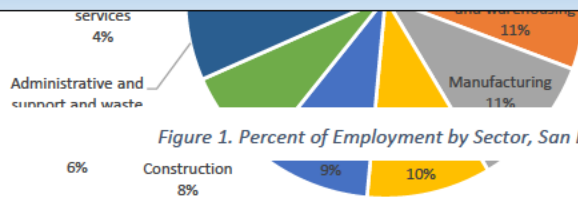


Figure 1. Percent of Employment by Sector, San Bernardino County, 2015.

* "All Others" includes agriculture/forestry; utilities; wholesale trade; finance and insurance; real estate; professional, scientific and technical services; admin and support services; waste management; educational services; and arts and entertainment. Each of these represents less than 4% of total employment. Source: 2015 County Business Patterns, U S Census Bureau

Economic values, in contrast to economic contributions, represent the net value, above and beyond any expenditures, that individuals place on goods and services. It is not appropriate to sum values for economic contributions and economic values because they represent different metrics. To the extent information is available some economic values are presented in Table 3 along with information on the timing and drivers of future activity. For commodities bought and sold in markets (e.g., oil, gas, etc.), the economic values are closely related to the market prices of the commodities. For goods and services – such as recreation – which are typically not bought and sold in markets the values are estimated based on visitor surveys which attempt to capture individual values above and beyond their direct expenditures. The economic value in FY 2016 associated with recreation is estimated to be about \$30 million.

Activities and Resources Associated With ~~Mohave~~Mojave Trails National Monument

Details on the activities occurring at ~~Mohave~~Mojave Trails National Monument are provided below.

Table 2. MTNM Estimated Economic Contributions, 2016

| Activities | Economic output, \$millions | Value added (net additions to GDP), \$millions | Employment supported (number of jobs) |
|---------------------|-----------------------------|--|---------------------------------------|
| Recreation | 14.1 | 8.5 | 144 |
| Non-energy Minerals | | | |
| Grazing | 2.4 | Not available | 26 |

- **Recreation:** A wide variety of recreation activities occur within the Monument including hunting, off-highway vehicle use, rockhounding, overland expeditions, photography, hiking, backpacking, camping, target shooting, picnicking, heritage tourism, and wildflower/wildlife watching. Hunting on the monument is regulated by the California Department of Fish and Wildlife. All off highway vehicles prior to designation were allowed on designated routes, since designation only street legal vehicles are allowed on designated routes.

Table 3. ~~Mohave~~Mojave Trails NM Annual Visitation, 2012-2016

| | Year | Number of Visits |
|--|------|---------------------------------|
| (-) Recreation visits | | |
| have increased from <u>nearly about 63,000 visits</u> in FY 2012 to about 170,000 in 2016. Recreation activities provide the opportunity for economic activity to be generated from tourism for an indefinite period of time. The economic contributions occur annually, and in cases where visitation increases over time, recreation generates additional activity each year. Recreation associated with visitation to MTNM is estimated to contribute about \$8.5 million in value added (net economic contributions) and support 144 jobs; ⁴ <u>if the monument had not been designated, the BLM would still anticipate visitor numbers to have will increased</u> over time due to population growth in the large urban centers in areas proximate to the National Monument. | 2012 | <u>53,872</u> 63,188 |
| | 2013 | <u>63,188</u> |
| | 2014 | 182,717 |
| | 2015 | 172,623 |
| | 2016 | 169,879 |

Source: BLM ~~data~~Recreation Management Information System.

The BLM utilizes the Recreation Management Information System (RMIS) to report visitation. The RMIS, implemented in 1984, is the agency's official system of record for recreation information relating to recreation visitation, permits, and partnerships. Visitation information is

⁴ BLM data Estimates based on by assigning visitor characteristics and spending patterns based on visitor surveys of the nearest National Park Service unit (Thomas and Koontz 2015).

based on the best available collection tools and data. Providing definitive visitation information at each National Monument is difficult to quantify, given the numerous factors influencing visitation and collection of visitor information data. Federal land managers are continually improving the methodology and technological resources for visitation reporting.

- **Energy:** In general, the scope, magnitude, and timing of energy and minerals activities are closely related to supply and demand conditions in world markets and the market prices of mineral commodities. Local or regional cost considerations related to infrastructure, transportation, etc. also may play a role in defining the supply conditions. To date, energy development on the Monument has been limited.
 - **Coal.** There is no coal present in the Monument area.
 - **Oil and gas.** There is no oil and gas produced in MTNM.
 - **Renewable energy.** The MTNM is located within the area covered by the Desert Renewable Energy Conservation Plan (DRECP) area. The DRECP was a seven-year, desert-wide planning process that identified priority areas for both renewable energy development and conservation. No renewable energy development focus areas were identified within the national monument boundary.
 - **Energy transmission:** There is significant energy transmission infrastructure within the Monument, including 43 power transmission lines/power facilities right-of-ways and 45 oil and gas pipeline/gas facility rights-of-way. These facilities provide electricity, oil, and gas to the Los Angeles basin. Numerous energy rights-of way are also present within the monument. Between the Monument designation and June 2017, Since the Presidential Proclamation to present, two communication site leases have been renewed, one new communication ROW permit was issued, and one Oil and Gas pipeline ROW permit was issued, and a FLPMA Section 302 permit was issued.
- **Non-fuel minerals.** The Mojave Trails area is extremely popular for rockhounding. There are approximately 1,447 mining claims within MTNM. While claimants are not required to report specific minerals to locate a claim, these claims may include gold, silver, and gemstones sought by rockhounds. Additionally, § several large mining operations are located outside of the Monument that produce sodium, calcium and limestone, with annual production valued at nearly one billion dollars per year.⁵ The designation withdrew the Monument from location, entry, and patent under mining laws, subject to valid existing rights. This means that a plan of operations and validity exam would be required for activities beyond casual use associated with existing mining claims. It seems likely that mineral production (sand and gravel) will *increase* from lands within the Monument owing to the monument designation, as maintenance of Route 66 requires mineral materials sites, and the county is actively considering development of two pits.
- Within the Monument, there are six mining Plans of Operations: two are inactive; two are for exploration; and two are small currently active mines. The Castle Mine, on the western edge of the Trilobite Wilderness, is a small gold mining operation, with estimated production of less than 100 tons per year. The Anamac Mine is a diatomaceous earth operation that produces diatomite from a small surficial freshwater deposit. Diatomite is used principally as a filter aid, whitener in

⁵ Feyerabend. W. 2016. Technical Report on the Mojave Lithium Property, San Bernardino County, CA

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paint, abrasive in polishes and silica additive in cement. The mine produces about 35 tons of diatomaceous earth per year. The mine is located in the Piute-Fenner Area of Critical Environmental Concern and critical desert tortoise habitat, limiting the opportunity for expansion. The annual production from designation to present for locatable minerals is not to exceed 135 tons of gold ore (100 tons) and diatomaceous earth (35 tons).

- The monument boundary was drawn specifically to exclude active mines adjacent to MTNM. This includes: 1) mines on the Bristol ~~Dry Lake~~⁶ that extract salt and calcium chloride. Other minerals, such as Lithium, are also present at Bristol Lake and potentially could be mined in the future. ⁶ Operations at Bristol Lake have continued to expand since the Monument designation; 2) the Omya Amboy Quarry (primarily on patented lands and includes some federal lands); and currently inactive mines on Danby Dry Lake.⁷
- **Timber.** There is no timber production in the Monument.
- **Grazing.** There is one grazing allotment within the boundary of MTNM, the Lazy Daisy allotment. The allotment covers a total of 311,289 acres, of which about 60% (183,232 acres) are within the Monument. The number of AUMs permitted has remained constant at 3,192 AUMs since 2010. Since 2010, the number of AUMs billed increased from ~~4,201,920~~ in FY 2010 to 3,192 in FY 2016. The BLM has the authority to accept grazing permit donations and retire those allotments within the California Desert Conservation Area under Public Law 112-74.
- **Cultural, archeological, and historic resources.** The Mojave Trails National Monument tells the human story of exploration, migration and commerce. This human history stretches back 10,000 years and includes components of travel systems that were integral in establishing populations in the Western United States. Currently records indicate that approximately 140,000 acres, or about 8 percent of the lands within MTNM, have been subject to survey. Records also indicate there are currently 1,123 cultural resources recorded within the monument, of which 63 percent are prehistoric, 35 percent are historical and the remaining 2 percent are multi-component with both prehistoric and historic material present. There have been no formal changes in cultural and paleontological activities and uses allowed within the MTNM since its designation. Until a management plan is completed, the monument is managed in accordance with the Presidential Proclamation, BLM Manual 6220, the California Desert Conservation ~~Act~~⁸ Area Plan of 1980⁹ and its applicable amendments including, but not limited to the Desert Renewable Energy Conservation Plan.

Native American cultural resources: Native Americans in the region regularly utilize lands within the MTNM, which has been increasing over the past few years as solar farm and transmission line

⁶ The Bristol Lake contains salt and calcium chloride resources that have been mined since pre-Columbian times, with industrial mining beginning in the early 1900s. Current operations include: 1) Hill Brothers Chemical Company, with 1-4 employees and \$1.5-\$1.75 million in annual sales; 2) National Chloride Company of America with approximately 5-9 employees and sales of \$7.25-\$7.5 million annually; Tetra Technologies (no production information available). These operations have a combination of Federal and State mining permits. ~~National Chloride is concerned the proposed Cadiz Water Project would significantly impact their operations (and supported the Mojave Trails National Monument) because the designation would help protect the groundwater resources that their operation relies on.~~ Since the Monument designation, Standard Lithium has agreed to work with National Chloride on lithium exploration, development and production at Bristol Lake.

⁷ This operation is not currently in production (no royalties have been paid since 2001) with work primarily in reclamation, though continued production has been proposed for several decades.

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projects continue to be constructed within traditional tribal use areas. According to ethnographic data, the Indian ethnic groups which traditionally utilized lands within the MTNM include the Chemehuevi, Mojave and Serrano/Vanyume, with transient or joint use by bordering tribes including the Southern Paiute, Kawaiisu and Shoshone people. Several types of prehistoric cultural resources are present within the MTNM associated with use over the past 8000 to 10,000 years. There are sites exhibiting aesthetic expression such as petroglyphs, pictographs, geoglyphs and intaglios, as well as sacred sites highly valued by Tribes. The MTNM also contains locations clays are collected and used for making traditional pottery, specific grasses used for basket weaving, various edible vegetation for medicinal purposes, areas that serve as meeting places, specific trails for the salt songs and activities such as trail runs.

Paleontological archeological and other cultural resources: Overland travel throughout human history is the most prevalent theme associated with the Monument. Indian trails formed the foundation for early explorer's trails; wagon roads and railroads followed. These resources form the basis of many of the cultural resources and current infrastructure present in the MTNM today. Notable early explorers that frequented the area now including the Monument included Francisco Carces, Jedediah Smith and Kit Carson. Route 66 traverses a portion of the MTNM.⁸ [People travel from all over the world to tour Route 66, many starting in Chicago and ending in Santa Monica. Along the way, Route 66 through Mojave Trails offers visitors a glimpse into the heyday of the popular route.](#)

In the early 1940s, the U.S Army reserved 6,810,018 acres (10,640 square miles) within the Mojave and Colorado Deserts of California to serve as the Desert Training Center (DTC), later referred to as the California Arizona Maneuver Area (CAMA). Approximately 791,261 acres (2,031 square miles) of the DTC was located within the MTNM, including five major divisional camps (Ibis, Clipper, Essex, Iron Mountain and Granite), as well as various railroad sidings (low-speed track sections distinct from a running line or through route), smaller camps, maneuver areas, and airstrips. The DTC/CAMA served to train over one million soldiers for the last 13 weeks of a two-year training program designed to prepare for America's entry into WWII. The DTC lands in California combined with the 60 million acres of land in Arizona and Nevada

⁸⁸ Francisco Garces in the 1770s, and Jedediah Smith and Kit Carson in the 1820s are notable early explorers who upon reaching Needles were befriended by Mojave Indians who provided guides over the Mojave Trail and into the San Bernardino Valley or down the River towards Yuma. The western extents of the Mojave Trail became part of the Old Spanish Trail, while the portion near Needles became the Mojave Road, also referred to as Old Government Road. Subsequent expeditions in the 1850s by Edward Beales who was commissioned to build a wagon road from Fort Smith Arkansas to Los Angeles, lead to the development of Old Trails National Highway, most of this route became Route 66 and the corridor for the Atlantic and Pacific Railroad, entering the MTNM near Needles, then south to Cadiz and west towards Ludlow. Railroad surveys conducted by Amiel Whipple ended up serving as the corridor for the Southern Pacific and the Atchison, Topeka and Santa Fe Railroads, which enter the MTNM from the south at Fishel, then onto Cadiz and Ludlow. The Tonopah Tidewater Railroad interest the MTNM near Balch, and into Crucero, where it joined a line to Broadwell to the south and Barstow to the east. As populations increased so did various industries to support them including cattle ranching and agriculture along the Colorado River. Mining in the Mojave Desert developed relatively late because gold, silver and other minerals required extraction through hard rock mining techniques, requiring investment and capital. Many of the mines proved more successful in extracting industrial metals such as copper, salt (for processing silver), iron, manganese and borax. However, by the late 1800s and early 1900s minerals and metals were being transported by train from deposits in the Old Woman and Ship Mountains, as well as Danby Dry Lake.

represented the largest military training facility in history. It enabled the military to train all branches of the military in a theatre of operations while also enabling the military to develop and test various weaponry and tactics directly leading to the success in WWII and various military campaigns. The BLM is currently working on a nomination to list the DTC in the National Register of Historic Places.

Many of the cultural resources in the MTNM retain their integrity of location, design and materials. These qualities are exemplified when traveling along the 92-mile stretch of Route 66 from Mountain Springs to Ludlow, a trip people from around the world enjoy because it enables a driving experience with wide open views and vistas similar to as they were when the road was first constructed. The same can be said for many of the old mines or DTC camps and maneuver areas within the MTNM.

The MTNM contains paleontological resources and expectation of more yet to be discovered. The most well-known area is the Marble Mountain Fossil Beds ACEC. This area is visited regularly by many students and teachers as well as tourists from around the world who are given the opportunity to see and collect limited amounts of 12 different trilobite species dating back 500 million years. From a scientific point of view, the most important paleontological areas within the MTNM include three localities in the Cady Mountains WSA that are 18.8 to 22.6 million years old, accounting for 6.5 million years of the earliest Miocene, and that contain taxa that are identical to those in Nebraska, thereby assisting with and strengthening cross-continental temporal and biotic correlations. The southern Bristol Mountains contain the oldest Tertiary record of fossils in the Mojave Desert, as well as the only late Oligocene locality in the Mojave Desert. Camel tracks are present under which contain important invertebrate and a complex fossil flora that enable reconstruction of the landscape at that time. The Piute Valley contain Pleistocene spring deposits include spring pipes and calcareous spring aprons that are choked with late Pleistocene (Rancholabrean age) vertebrates fossils and represent the most complex vertebrate assemblage in the southeastern Mojave Desert. The Cadiz Valley includes five geographic area that produce fossil faunas that have been tentatively dated at middle Pleistocene, a time period that is poorly known from the Mojave Desert. The Ship Mountains exhibit some of the oldest Miocene fossils in the southeastern Mojave Desert.⁹


Land Management Tradeoffs

This section presents some information to help understand land management tradeoffs. (b) (5) DPP


⁹Fossil camels in the Ship Mountain area are greater than 21 million years old and provide age control for the start of extensional tectonics in this area, as well as a faunal link to other mammalian assemblages to the west in the Cady Mountains and to the east in the Little Piute and Sacramento Mountains. The Little Piute Mountains also contain fossil camels that can be compared with those camels in the Ship Mountains and provide temporal constraint on the tectonic uplift of the Old Woman Mountains. Trackways in the Little Piute Mountains can also provide evidence of how mammals moved when alive. The Sacramento Mountains contains the most easterly early Miocene vertebrate fossil locality in the Mojave Desert as well as Late Pleistocene (Rancholabrean) fossil faunas including the most eastern California record of giant ground sloth.

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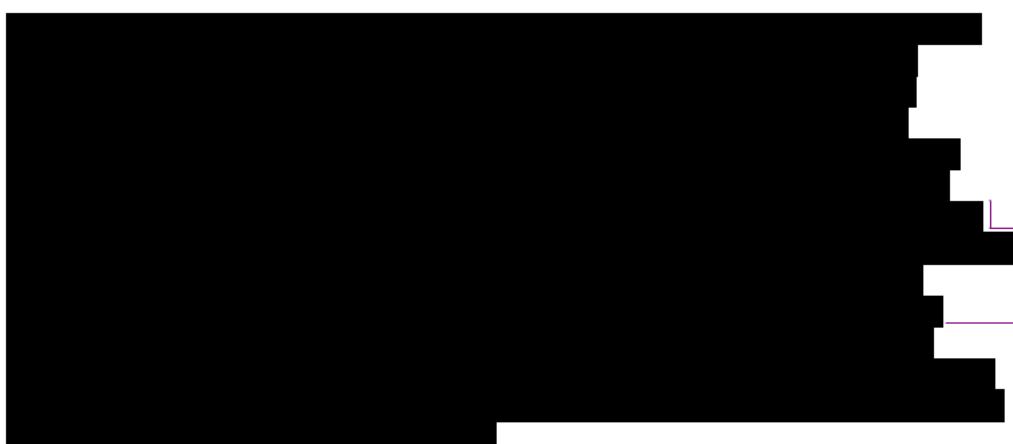



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Table 3. Summary of MTNM Activities and Economic Values, FY 2016

| Activities | Level of annual activity | Economic Value | Timing | Drivers of current and future levels of activity |
|--------------------|---|----------------------------------|--|--|
| Recreation | FY 2016: xxxx visitor days (BLM) | \$54.19/visitor-day ^a | Visitation could continue indefinitely if landscape resources remain intact and of sufficient quality. | Societal preferences for outdoor recreation; disposable income; changing individual preferences for work and leisure time |
| Grazing | 2016 billed AUMs: 3,192 AUMs | 2016 grazing fee: \$2.11/AUM | Grazing could continue indefinitely if forage resources are managed sustainably. | Market prices for cattle and sheep and resource protection needs and range conditions (due to drought, fire, etc.) can affect AUMs permitted and billed. |
| Cultural resources | Indigenous communities often use natural resources to an extent and in ways that are different from the general population, and the role that natural resources play in the culture of these indigenous communities may differ from that of the general population. Culturally important sites and unique natural resources, by definition, have limited or no substitutes. Recognizing this is a critical consideration in land management because it may affect consideration of tradeoffs. MTNM contains substantial cultural resources that have not been fully surveyed. Tribes use the sacred sites within MTNM for hunting; fishing; gathering; wood cutting; and for collection of medicinal and ceremonial plants, edible herbs, and materials for crafting items like baskets and footwear. <u>Route 66 and General Patton's WWII training camps are also of cultural interest and fall within the Monument boundary.</u> | | | |
| Benefits of nature | Services provided by nature underpin all sectors of a local economy, <u>such as clean air and water</u> . As many of these services are not sold in markets, <u>there is we have</u> limited information on their prices or values. Specific benefits related to MTNM include protection of <u>special</u> habitats for <u>threatened and endangered species such as the desert tortoise, desert bighorn sheep, Tui chub, Western Pond Turtle and numerous other plant and animal species</u> . Many of these species have adapted to harsh desert environments and could provide keys to helping humans adapt to living in warm climates. <u>A growing body of research points to the mental and physical benefits of spending time in nature, deer, elk, desert bighorn sheep, pronghorn, and endemic plant species that inhabit rare habitat types such as hanging gardens.</u> | | | |

^a This value represents the estimated consumer surplus associated with general recreation for the Intermountain region from the USGS Benefit Transfer Toolkit (<https://my.usgs.gov/benefit-transfer/>). Consume surplus represents values individuals hold for goods and services over and above expenditures on those goods and services.

^b All prices are from EIA.gov.

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Sonoran Desert National Monument

Economic Values and Economic Contributions

DRAFT



Sonoran Desert National Monument,
Arizona

Introduction

Location: Maricopa and Pinal counties, AZ

Managing agencies: BLM

Adjacent cities/counties/reservations:

Pima County, AZ

Resources and Uses:

- ☒ Recreation ☐ Energy ☐ Minerals
- ☒ Grazing ☐ Timber ☒ Scientific Discovery
- ☒ Tribal Resources ☒ Cultural Resources

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The purpose of this paper is to provide an overview of the economic values and economic contributions of the activities and resources associated with Sonoran Desert National Monument (SDNM or the Monument). The SDNM is located in Maricopa and Pinal counties in Arizona. Population centers adjacent to the planning area include metropolitan Phoenix and the communities of Ajo, Goodyear, Buckeye, Gila Bend, Mobile, Casa Grande, and Maricopa. For context, this paper provides a brief economic profile of Maricopa and Pinal counties as well as Pima County.

Background

The SDNM was established by President Clinton on January 17, 2001 (Proclamation 7397) [and](#) is managed by the Bureau of Land Management (BLM). The Monument encompasses 496,400 acres including 486,400 acres of BLM-administered land, 3,900 acres of Arizona State Trust lands, and 6,100 acres of private land. There are three Wilderness Areas with the Monument totaling 158,516 acres, about 33% of the SDNM. The BLM manages 461,000 acres of federal mineral estate. Therefore, there are a few parcels (25,800 acres) within the Monument where the surface is owned by the United States and the subsurface is owned by a non-federal entity. As stated in the Proclamation and reiterated in the Lower Sonoran-Sonoran Desert [National Monument](#) Proposed Resource Management Plan / Final Environmental Impact Statement (PRMP/FEIS), the SDNM was designated to protect “a magnificent example of untrammeled Sonoran desert landscape” with an “extraordinary array of biological, scientific, and historic resources”. To protect objects within the Monument, the Proclamation directed the following management:

- Prohibit all motorized and mechanized vehicle use off road, except for emergency or authorized administrative purposes and prepare a transportation plan that addresses action to protect identified objects (such as road closures or travel restrictions). [See further discussion regarding allowed motorized and mechanized vehicle use under “Recreation” on page 5.](#)
- Withdraw from all forms of entry, location, selection, sale, or leasing or other disposition under the public land laws including location, entry, and patent under the mining laws and mineral and geothermal leasing.
- Continue to issue and administer grazing leases and permits within the Monument with [the exception of ~~thes including not renewing~~](#) permits south of Interstate Highway 8 [which shall not be renewed at the end of their current terms; and provided further, only allowing grazing on Federal lands to continue](#) north of Interstate 8 [shall will be allowed to continue](#) to the extent that the BLM determines ~~that~~ grazing is compatible with the ~~paramount purpose of protecting the~~ objects identified in this proclamation.
- The Proclamation also states that the establishment of the monument is subject to valid existing rights.

The SDNM Resource Management Plan (RMP) was approved in 2012. The plan put in place management that reflected the requirements of the Proclamation along with management that was responsive to issues identified by the public, stakeholders, and BLM specialists and managers during the scoping period and applicable federal and state laws, regulations, and BLM policies.

A Resource Management Plan Amendment (RMPA) is currently in progress to address recreational target shooting in response to a court decision. The draft RMPA/EIS was issued in December 2016. Discussed in further detail below, the decisions in the approved RMP related to livestock grazing are currently being litigated.

The SDNM is situated primarily in Maricopa County (440,600 acres) with a much smaller portions of the Monument extending into Pinal County (55,800). Population centers adjacent to the Monument include metropolitan Phoenix and the communities of Ajo, Goodyear, Buckeye, Gila Bend, Mobile, Casa Grande, and Maricopa. The southwest boundary of the Monument is shared with the Barry M. Goldwater Air Force Range.¹

Public Outreach Prior to Designation

The Dryland Institute’s 2001 report titled “Biological Resources of the Sonoran Desert National Monument, Arizona” provides a useful overview of the historical advocacy in support of designating the SDNM. The document points the re-conveyance of the about 75,000 acres of land from the Department of Defense to the BLM in 2000 as a motivating factor for advocates proposing the designation of the now SDNM. Former Department of Interior Secretary Babbitt toured the area in late 2000. Based on information in historical articles, it appears that Secretary Babbitt did meet with both advocates and opponents of the designation prior to making his recommendation for designation to President Clinton. However, the details of those meetings and any public meetings or hearings are not readily available.

Table 1. Maricopa and Pinal Counties and State of Arizona Economic Snapshot

Local Economy and Economic Impacts

Table 1 summarizes some key demographic and economic indicators for Maricopa County, Pinal County, and the State of Arizona. Maricopa County contains just over 60 percent of the population in the State of Arizona most residing in the Phoenix metropolitan area. Since 1990, the County has grown proportionally more than the State as a well (89% compared to 81%). Although Pinal County has significantly less population, accounting for around 6 percent of the State’s population, the County’s population growth since 1990 has been well above the State’s rate (235%). The current unemployment rate in both counties is 3.9 percent and below the State’s rate. A substantial portion of the Pinal County workforce are employed in jobs outside the County. This observation is reflected in the ratio of jobs to population (23%

¹ The Proclamation also directed the BLM to continue existing management practices in the area adjacent to the Barry M. Goldwater Air Force Range (the Sand Tanks Mountains area of the SDNM commonly known as “Area A”). This area was previously controlled and managed by the U.S. Air Force and re-conveyed to the BLM from the Department of Defense by the National Defense Authorization Act for Fiscal Year 2000. The approved RMP designated the area as a Special Management Area and stated that access to the area would continue to require the Barry M. Goldwater Air Force Range entry and public safety permit (for the BLM, these are managed as Individual Special Recreation Permits).

in Pinal County compared to 53% for the State) and BEA personal income data that shows a significant net inflow of income. This pattern is likely attributable to the close proximity of Phoenix and Tucson to the County.

Non-labor income (income from dividends, interest, and rent and transfer payments) as a source of total income has increased for both counties between 2000 and 2015 (accounting for 39% in Maricopa and 42% in Pinal in 2015 compared to about 40% for the State as a whole).

The racial and ethnic composition of Maricopa and Pinal counties are generally similar and comparable to the State as a whole. Overall, the percentage of non-Hispanic Whites is around 55 percent and about a third of the population identifies as Hispanic. Pinal County's proportion of Native American population is slightly higher the State (4.7% compared to 4%) whereas Maricopa County's proportion is lower (1.6%).

Pima County accounts for about 15 percent of the State's population, making it the second most populated county in the State. A majority of the County residents live in the Tucson area. Pima County grew at a slower rate than the State since 1990 (50% compared to 81%).

The USDA Economic Research Service's (ERS) county-level typology codes indicate that all three counties are "non-specialized" indicating a diversity of industries driving their economies. That said, based on 2015 BEA data for both counties, the proportion of jobs in the government sector in Pinal and Pima counties exceeds the State (17.6% in Pima and 22.6 in Pinal compared to 12.5% for the State). Maricopa County employment is heavily driven by service-related sectors with about 80 percent of jobs in those industries (compared to 76% in the State and 63% in Pinal County). Pinal County employs relatively more in the natural resource-related industries including farming (3.4%) and mining (1.8%). Together these two industries account for 5.2% of jobs (8.1% of earnings) compared to 1.5% of jobs (1.6% of earnings) in the State as a whole. Pima County has a relatively higher proportion of jobs in the health care and social assistance sector.

As noted above, the Phoenix metropolitan area and the communities of Ajo, Goodyear, Buckeye, Gila Bend, Mobile, Casa Grande, and Maricopa provide access to and could be affected by management decisions on the Monument.

The communities ~~in the vicinity of~~^{near} the Monument include Goodyear, Buckeye, Gila Bend, and Mobile, all in Maricopa County, as well as Maricopa and Casa Grande in Pinal and Ajo in Pima. Several of these communities have growth at a rapid pace in the last couple of decades. For example, Maricopa city has grown from around 1,500 in 2000 to almost 50,000 today. Gila Bend and Ajo have had stable, if not contracting, population since 2000. As noted in the FEIS, four O'odham-speaking groups reside on reservations near the boundaries of the SDNM: the Ak Chin Indian Community, Gila River Indian Community, Salt River Pima-Maricopa Indian Community, and Tohono O'odham Nation.

| Measure | Maricopa, AZ | Pinal, AZ | Arizona |
|--|--------------|-----------|-----------|
| Population, 2016 ^a | 4,018,143 | 389,772 | 6,641,928 |
| Native American % of population ^a | 1.9% | 5.3% | 4.4% |
| Employment, December 2016 ^c | 2,431,731 | 90,119 | 3,542,969 |
| Unemployment rate, March 2017 ^b | 3.9% | 3.9% | 5.0% |
| Median Household Income, 2015 ^a | \$54,229 | \$49,477 | \$50,255 |

^a U S Census Bureau, 2011-2015 American Community Survey

^b <https://laborstats.az.gov/sites/default/files/documents/files/emp-report.pdf>

^c U S Bureau of Economic Analysis (BEA), Regional Economic Accounts Table CA25N

In the years following monument designation (2001-2015), the communities in Maricopa and Pinal Counties neighboring the SDNM experienced strong growth, continuing previous growth trends. Population grew by 36%. Jobs grew by 29%. Real personal income grew by 44%. Real per capita income grew by 6%.³ The designation of the Monument appears to have not impacted economic growth in any negative manner.

Table 2. Estimated Economic Contributions, 2016

Activities and Resources Associated With SDNM

Activities taking place on and resources within the SDNM include:

- **Recreation:** The most common recreational activities on SDNM include hiking, hunting, camping and OHV travel on designated routes. Six trailheads provide access to four established hiking trails within designated wilderness areas. The Anza National Historic Trail passes through the SDNM, providing recreational experiences along this historical resource. At the time of designation, visits to the Monument fluctuated around 15 to 20 thousand. Visits generally grew until a temporary vehicle closure in a portion of SDNM was implemented due to resource damage in 2008 causing visitation numbers to drop in FY2009. Visitation levels have steadily increased since then, especially in the past few years from around 26,000 visits in fiscal year (FY) 2013 to over 51,000 in FY2016. Estimated expenditures in local gateway regions in FY2016 was \$2.4M. These expenditures support a total of 46 jobs, \$1.6M in labor income, \$2.6M in value added, and \$4.3M in economic output in local gateway economies surrounding the Monument. Using an average consumer surplus value for the area of \$54.19 per recreational visit, the estimated economic value (net benefits) generated in FY2016 was \$2.8M.²

The Proclamation's prohibition of all motorized and mechanized vehicle use off road was implemented through travel management decisions during the planning process. The basic approach for implementing this prohibition was to identify areas of the Monument as open, limited, or closed to motorized and mechanical use.⁴ Then the BLM reviewed existing routes within areas designated as limited and, based on input from interested stakeholders, determined the type of travel, if any, that would be permitted on existing routes and under what conditions. A SDNM Travel Management Plan was completed as part of the 2012 RMP process in 2012. During that evaluation, 632 miles were evaluated, of which 411 miles were designated available for public use (open). This information is located on in the FONSI (Attachment 4) of the 2012 Sonoran Desert National Monument Record of Decision and Approved Resource Management Plan. No motorized or mechanical travel would be permitted off existing routes designated for motorized or mechanical travel, except for emergencies. The final decisions reduced the number miles of routes available for motorized and mechanical (such as bicycles). Section 2.3 of the Approved RMP describes these decisions in detail.

² Recreation unit value is a survey-based value for general recreation for the Intermountain region from the USGS Benefit Transfer Toolkit <https://my.usgs.gov/benefit-transfer/>. Economic value is the net benefit to recreational users (total benefits minus total costs).

³ No routes were designated as "open."

⁴ U.S. Department of Commerce. 2016. Bureau of Economic Analysis. Regional Economic Accounts. Washington, DC: U.S. Department of Commerce. 2017. Census Bureau. County Business Patterns. Washington, DC.

| Activities | Economic output (\$millions) | Value added (net additions to GDP, \$millions) | Employment supported (number of jobs) |
|-------------|------------------------------|--|---------------------------------------|
| Recreation* | \$4.3 | \$2.6 | 46 |
| Grazing | \$0.6 | Grazing value-added is not available | TBD <20 |

*Source: BLM data (visits represent 5-year average)

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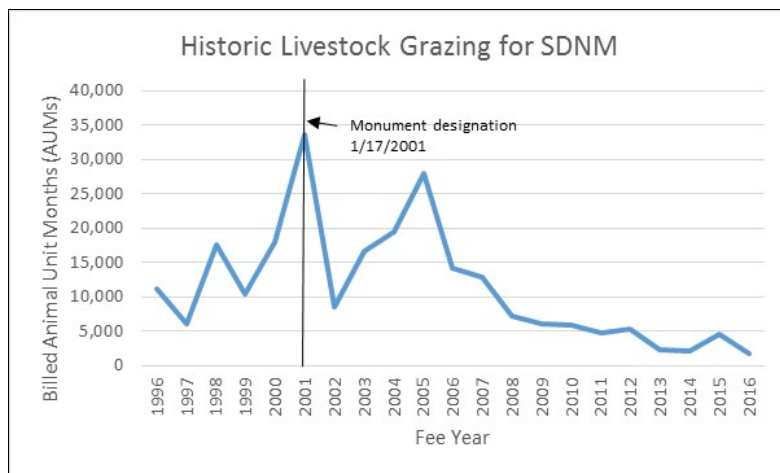
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While not addressed in the Proclamation, the issue of recreational target shooting activity is a highly controversial activity and is currently allowed with the Monument. Some of the controversy surrounding target shooting relates to the potential for wild fire risk and buildup of hazardous materials. However, as noted above, the BLM is evaluating recreational target shooting in a RMPA is currently in progress to address recreation target shoot in response to a court decision. The draft RMPA/EIS was issued in December 2016. The BLM's Preferred Alternative would allow recreational target shooting on the Desert Back Country Recreation Management Zone (approximately 433,600 acres).

The BLM utilizes the Recreation Management Information System (RMIS) to report visitation. The RMIS, implemented in 1984, is the agency's official system of record for recreation information relating to recreation visitation, permits, and partnerships. Visitation information is based on the best available collection tools and data. Providing definitive visitation information at each National Monument is difficult to quantify, given the numerous factors influencing visitation and collection of visitor information data. Federal land managers are continually improving the methodology and technological resources for visitation reporting.

- **Energy:** There is no potential for coal resources within the Monument. The potential for oil & gas is low, except in the Vekol Basin in the southeast part of the Monument, where the potential is moderate. The potential for geothermal resources is generally moderate throughout the Monument, similar to the rest of the region south and west of Phoenix. However, there is no recorded production of leasable minerals from within the Monument area. The region has high potential for solar energy development. Opportunities for wind energy or biomass are minimal. Prior to the approved SDNM RMP there were three 1-mile wide utility corridors that crossed BLM-administered lands within the Monument. The approved RMP designated the entire Monument as an exclusion area. This decision prohibits utility scale solar energy development and the designation multiuse utility corridors (including new transmission infrastructure or pipelines). The Proclamation withdrew the Monument from location, entry, and patent under mining laws, subject to valid existing rights.
- **Non-Energy Minerals:** Potential for locatable minerals within the Monument area is considered low to moderate. Areas with moderate potential occur in mountainous terrain, a large portion of this terrain is within the three Wilderness areas. The southern portion of the SDNM has one area outside designated wilderness with high potential for porphyry copper and one very small area with high potential for gold. Potential for salable minerals exists throughout the Monument including potential for sand and gravel and crushed stone resources. These resources are not as desirable as similar resources located closer to population centers outside the Monument. Costs to transport salable minerals produced within the Monument area to nearby population centers would be greater than transportation costs associated with mines outside the Monument and closer to population centers. However, within the Monument, along Interstate 8, there are three authorized material site rights-of-way issued to the Federal Highway Administration, for the purpose of supplying construction materials to aid federal highway projects. The material sites are sand and gravel pits that are intermittently used to supply highway maintenance projects on Interstate 8. Information on non-energy minerals resource in the FEIS was limited, but it was noted there were no existing locatable minerals rights in the SDNM as all previous mining claims had lapsed. Nor were there any existing mineral leases, mineral materials sales, or free use permits in the SDNM.
- **Grazing:** As explained in the FEIS, in Arizona, BLM grazing allotments are classified as perennial, ephemeral, or perennial-ephemeral. Perennial means the allotment consistently produces enough forage to support a livestock operation year-round and has an established forage limit; whereas, the

permitted us on ephemeral allotments and allotments with ephemeral forage, is based on vegetation production and determined by the BLM prior to authorizing use. Prior to Monument designation there were 16,433 perennial active AUMs. Responsive to the Proclamation, as permits expired in areas south of Interstate 8, they were not renewed reducing the perennial active AUMs to 8,703 on SDNM by early 2009. However, ephemeral use continued to be authorized. The approved RMP further reduced perennial active AUMs within the Monument to 3,114 by closing areas not meeting rangeland health standards but also continued allocating grazing allotments as perennial, perennial-ephemeral, or ephemeral (north of Interstate 8). These livestock grazing decisions were challenged and are currently still being litigated. However, the decision was stayed which prevented the BLM from renewing permits until the litigation was resolved. Currently there are 776 perennial-ephemeral active AUMs. The figure below shows billed AUMs from 1996 through 2016.



The number of billed AUMs varies widely from year to year and in many cases exceeds the amount of perennial active AUMs authorized in a given year due to ephemeral use. Since Monument designation the amount of billed use has trended down, as expected given the direction in the Proclamation, decisions made in the approved RMP, and current litigation stay.

Based on 5-year average of recent billed AUMs (3,283), livestock grazing on the Monument has supported approximately 17 paid and unpaid (i.e., family labor) jobs annually resulting in approximate \$166,000-~~thousand~~ in labor income and generating about \$630,000-~~thousand~~ in total economic output. This level of economic contribution could change in the long run after litigation has been resolved. There is a potential for an increase in labor due to the highly variable and ephemeral nature of low desert grazing. During wet years, thus high ephemeral production, large number more of jobs might~~would~~ be created to work cattle within SDNM.

- **Timber:** Commercial timber resources are generally not available within the SDNM.
- **Resource values:** Monument designation is intended to protect scientific and historic objects. In general, these objects are valued by society but those values are not bought or sold in the marketplace

and therefore difficult to quantify. Below is a brief overview of the objects identified in Proclamation that the designation is intended to protect⁴:

- **Scientific Investigation:** The SDNM contains ecological, biological, and physical resources of scientific interest. Not only does this largely undeveloped area provide important open space, wilderness opportunities, and a valuable visual landscape in the midst of a rapidly urbanizing area, it also represents a functioning desert ecosystem with a diversity of plant and animal species. The ecological diversity of the Sonoran Desert, including a diversity of flora and fauna associated with rare woodlands assemblages, palo verde-mixed cacti, creosote-bursage, desert washes, and rare desert grasslands vegetation communities. As noted in the Proclamation, “the saguaro cactus forests within the Monument are a national treasure, rivaling those within the Saguaro National Park.”
- **Cultural Resources:** The SDNM contains cultural landscape that appears largely unchanged, with a rich history that spans at least 10,000 years, from the Archaic to modern day. It contains sites representative of the time periods from the Archaic through the modern day, including villages, camps, Ak-Chin farming sites, rock art, lithic scatters, homesteads, and historic ranches, as well as economically important trade and travel routes.
- **Tribal Resources:** Although not explicitly discussed in the Proclamation, several tribes have traditional cultural affiliations with the SDNM. As stated above, four O’odham-speaking groups reside on reservations near the boundaries of the SDNM. The SDNM is used by tribes as an area for gathering seasonal traditional food.

Land Management Tradeoffs

This section presents some information to help understand land management tradeoffs. Decision-making often involves multiple objectives and the need to make tradeoffs among those objectives. However, tradeoffs and decision making are often subject to constraints, such as Monument designations. In general, market supply and demand conditions drive energy and minerals activity; societal preferences and household disposable income affect recreation activity levels; and market prices and range conditions affect the demand for forage. Fluctuating cattle sale prices are a significant factor in determining economic feasibility of ranching operations in the area. Cattle prices also play a very large part in what is economically feasible for rangers to operate out on the range. Culturally important sites and unique natural resources, by definition, have limited or no substitutes. A particularly challenging component of any tradeoff analysis is estimating the nonmarket values associated with SDNM resources, particularly the nonmarket values associated with aesthetic, cultural and scientific resources.

Planning for permitted resource use on National Monuments will involve trade-offs among different activities on the land area being managed in order to allow permitted activities that are compatible with monument objects. Once designated, National Monuments continue to be managed under the multiple use mandate outlined in the Federal Land Policy and Management Act of 1976. In some cases, certain areas of the Monument may be appropriate for more than one use. After ~~the careful~~ consideration of tradeoffs, management decisions in those cases may prioritize certain uses over others. In other cases, land areas may be more appropriate for a particular use and activities could be restricted to certain areas of the Monument. These decisions are based upon whether a use is compatible with the designation. Factors that

⁴ In addition to the Proclamation, Chapter 1 of the FEIS (Section 1.4.2 and Table 1-3: Sonoran Desert National Monument Objects) provides a more detailed description of these objects and their significance.

could inform these tradeoffs include demand for the good or activity, prices, costs, and societal preferences. Other considerations might include the timeframe of the activity - how long the benefits and costs of a given activity would be expected to extend into the future. Trust responsibilities and treaty rights should also be considerations.

In considering any trade-offs, it is not just the level and net economic value associated with an activity that occurs in a given year that is relevant to decision making. Virtually all activities within the Monument occur over time and it is the stream of costs and benefits over a given period of time associated with each activity that is relevant. For example, recreation activities could continue indefinitely assuming the resources required for recreation remain intact and of sufficient quality for individuals to remain interested in the activity. Likewise, the values associated with the natural and cultural resources could continue indefinitely provided they are not degraded by other activities (and assuming preferences do not change). Grazing could also continue indefinitely as long as the forage resource is sustainably managed and remains consistent with the protection of monument objects. ~~Timber harvest may also continue indefinitely as long as the timber resource is sustainably managed. There is no timber harvesting within SDNM as the desert vegetation does not support timber production.~~ The stream of costs and benefits associated with some other non-renewable resources would be finite, however (assuming these activities were consistent with the designation). For example, ~~oil, gas, coal and minerals~~ are ~~all~~ non-renewable resources and would only be extracted as long as the resource is economically feasible to produce.

The total value or amount of energy or mineral production foregone as a result of the designation cannot be determined. Although information may exist (e.g. USGS Mineral Resource Data) on past or present mineral history, mineral potential or minerals that may be prospectively valuable within and around the monument, developing a total value or a total value as a result of the designation would be highly speculative. Classification information typically only describes or refers to the potential presence (occurrence) of a concentration of one or more energy and/or mineral resource. It does not refer to or imply potential for development and/or extraction of the mineral resource(s) or determine the feasibility. It also does not imply that the potential concentration is or may be economic, that is, could be extracted processed and transported profitably.

The available information is insufficient to allow a full understanding of management tradeoffs, such as how expanding any mineral development would affect recreational visitation and cultural and natural resources. A comprehensive evaluation of trade-offs would require a significant amount of research and additional analysis.

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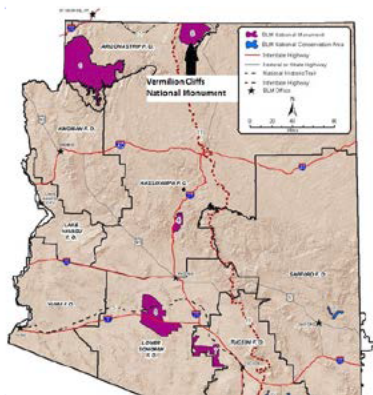
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Vermilion Cliffs National Monument

Economic Values and Economic Contributions

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Introduction

The purpose of this paper is to provide information on the economic values and economic contributions of the activities and resources associated with Vermilion Cliffs National Monument (VCNM or the Monument) as well as to provide a brief economic profile of Coconino County.

Background

Vermilion Cliffs National Monument (~~VCNM~~) was established by Presidential Proclamation 7374 on November 9, 2000 consisting of 293,000 acres. Prior to designation, the area was managed by the Bureau of Land Management (BLM) and continues to be following designation. The Proclamation designated “approximately 293,000 acres” and states that acreage is “the smallest area compatible with the proper care and management of the objects to be protected.” The BLM manages for multiple use within the Monument (hunting, recreation, and grazing, etc.), while protecting the vast array of historic and scientific resources identified in the Proclamation and providing opportunities for scientific study of those resources. The resources identified in the Proclamation include:

- Geology - Sandstone slick rock, rolling plateaus, and brilliant cliffs with arches, amphitheaters, and massive walls.
- Cultural and Historic Resources - Archaeological evidence displaying a long and rich human history spanning more than 12,000 years. Historic resources, including evidence of early European exploration, ranches, homesteads, mines, and roads.
- Wilderness - The Paria Canyon-Vermilion Cliffs Wilderness is a remote and unspoiled landscape with limited travel corridors along the Utah-Arizona border. A majority of the wilderness lies within Vermilion Cliffs National Monument.
- Vegetation – Cold desert flora and warm desert grassland.
- Wildlife – California condor, bighorn sheep, mountain lion, pronghorn antelope, raptors and desert stream fishes.
- Paria River – The Paria River and widely scattered ephemeral water sources and springs.

Overall, multiple use activities compatible with the protection of resources and objects identified in the Presidential Proclamation are allowed in Vermilion Cliffs National Monument. Multiple use activities are subject to decisions made in current and future BLM resource management planning efforts, which include public participation. National Monuments and other conservation areas managed by the BLM continue to allow for multiple uses according to the Federal Land Policy and Management Act.

Vermilion Cliffs National Monument, Arizona

Location: Coconino County, Arizona

Managing agency: BLM

Adjacent cities/counties/public lands:

Kaibab National Forest, Glen Canyon
National Recreation Area, Grand Staircase
Escalante National Monument, other BLM
lands

Resource Areas:

☒ Recreation ☐ Energy ☐ Minerals
☒ Grazing ☐ Timber ☒ Scientific Discovery
☒ Tribal Cultural

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Public outreach prior to designation

The Secretary of the Interior met with the public in meetings and in the field prior to VCNM designation. Public outreach was conducted during the summer of 2000 with various participants. It included meetings with affected ranchers, community leaders, the Page Chamber of Commerce and business owners in the Marble Canyon and Jacob Lake Areas.

Local Economy and Economic Impacts

Coconino County makes up around two percent of Arizona’s population. Approximately 27 percent of the county population is Native American. Current unemployment rates and median household income are similar to the values for Arizona as a whole (Table 1). The accommodation and food services industry is the largest by employment in Coconino County, accounting for 26 percent of county employment (Figure 1). Other industries that make up more than 10 percent of total employment include retail trade, health care and social assistance, and manufacturing.

Table 1. Economic Profile for Coconino County

| Measure | Coconino County, AZ | Arizona |
|---|---------------------|-----------|
| Population, 2015 | 136,701 | 6,641,928 |
| Unemployment rate, April 2017 ^a | 4.9% | 5.0% |
| Median Household Income (2015) ^b | \$50,234 | \$50,255 |

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^a<https://laborstats.az.gov/sites/default/files/documents/files/emp-report.pdf>

^bhttps://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_5YR_DP03&src=pt

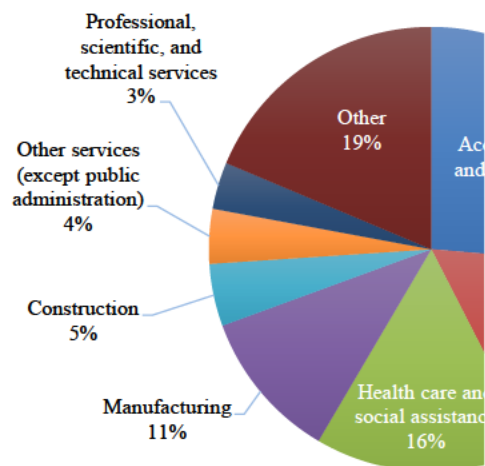


Figure 1. Percent employment by sector in Coconino County, 2015

“Other” includes industries classified as Arts, entertainment, and recreation, Transportation and warehousing, Administrative and support and waste management and remediation services, Wholesale trade, Finance and

insurance, Real estate and rental and leasing, Information, Educational services, Management of companies and enterprises, Utilities, Agriculture, forestry, fishing and hunting, Mining, quarrying, and oil and gas extraction, and Industries not classified, each of which represents less than 3% of employment.

In the years following monument designation (2001-2015), the communities in Coconino County neighboring the VCNM experienced strong growth, continuing previous growth trends. Population grew by 18%. Jobs grew by 25%. Real personal income grew by 45%. Real per capita income grew by 24%.¹ The designation of the Monument appears to have not impacted economic growth in any negative manner.

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Activities and Resources Associated with Vermilion Cliffs National Monument

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Activities taking place on Vermilion Cliffs National Monument lands include recreation, grazing, and cultural/archaeological exploration. Further detail on these activities is listed below:

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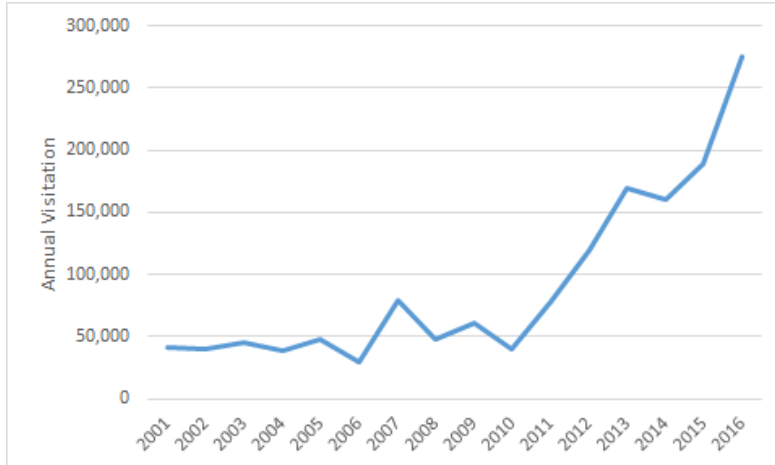
- **Recreation:** Visitation at Vermilion Cliffs National Monument has increased since designation, rising from 41,884 visits in 2001 to 275,845 visits in 2016 (*Figure 2*). Recreation activities provide the opportunity for economic activity to be generated from tourism for an indefinite period of time. Recreational visitors spend money at local businesses, and that spending can lead to economic contributions that affect regional and state economy. The economic contributions occur annually, and in cases where visitation increases over time, recreation generates additional activity each year. The net economic contributions associated with recreation in 2016 are estimated to be about \$14 million in value added and 246 jobs.

The BLM utilizes the Recreation Management Information System (RMIS) to report visitation. The RMIS, implemented in 1984, is the agency's official system of record for recreation information relating to recreation visitation, permits, and partnerships. Visitation information is based on the best available collection tools and data. Providing definitive visitation information at each National Monument is difficult to quantify, given the numerous factors influencing visitation and collection of visitor information data. Federal land managers are continually improving the methodology and technological resources for visitation reporting.

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Figure 2. Annual Visitation to Vermilion Cliffs National Monument



- **Energy:** There are no renewable resources or known coal, oil and gas resources within the Monument.
- **Non-Energy Minerals:** No production of locatable minerals has occurred. Active mining claims are subject to valid existing rights. An estimated 1,000 cubic yards per year of gravel is used from existing material sites by the BLM for road maintenance. No new permits or sales contracts were issued.
- **Grazing:**
 - Grazing is allowed within Vermilion Cliffs National Monument. In 2001, there were 29,313 permitted Animal Unit Months (AUMs).² Today, there are 28,773 permitted AUMs. Grazing use levels vary from year to year depending on factors such as drought. Total AUMs billed were 5,138 in 2016, with an average of 8,456 AUMs billed annually since 2001.³ Figure 3 shows the number of AUMs permitted and billed annually from 2001 through 2016. Billed AUMs represent an average of 29% of permitted AUMs over the period.

Range conditions and management decisions led to the decrease in billed AUMs after 2002. A severe drought in 2002 had lasting impacts on the range-land conditions, as well as on the overall ranching operations in the area. Many operators voluntarily reduced the

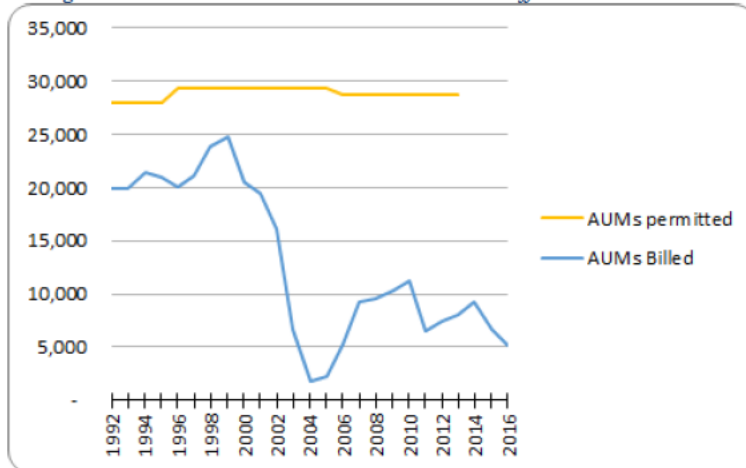
¹ U.S. Department of Commerce. 2016. Bureau of Economic Analysis, Regional Economic Accounts, Washington, DC; U.S. Department of Commerce. 2017. Census Bureau, County Business Patterns, Washington, DC.

² BLM measures an AUM as the amount of forage needed to sustain one cow and her calf, one domestic horse, or 5 sheep or goats for one month. <https://www.blm.gov/programs/natural-resources/rangelands-and-grazing/livestock-grazing/fees-and-distribution>.

³ The total billed AUMs reported do not exclusively fall within the monument, because the allotment boundaries encompass both Vermilion Cliffs NM and Arizona Strip Field Office lands.

number of cattle grazed and sold off cattle during the drought. In addition, four allotments were purchased by an individual and subsequently transferred over the years (late 1990s and early 2000s) to the Grand Canyon Trust through the North Rim Ranch. The North Rim Ranch's current management approach is not to run at full authorized AUM numbers. This also contributes to the lower numbers of billed AUMs on these four allotments.

Figure 3. AUMs Permitted and Billed on Vermilion Cliffs National Monument



- **Timber:** There is no annual timber production of the pinyon pine and juniper community. Personal use fuelwood cutting of pinyon pine and juniper trees was permitted is the only activity related to timber prior to the RMP and ROD being implemented in January 29, 2008, seven years post-monument designation. Following a decision in the RMP and ROD, the monument is closed to the sale of vegetative products; however, the gathering of dead and downed wood for campsite use is authorized in areas where campfires are allowed. The quantity of personal use fuelwood removed prior to the signing of the RMP and ROD is unknown.
- **Cultural/Scientific:** VCNM provides for the collection of pinyon pine seeds (pine nuts) for non-commercial, personal use. Personal use quantities of items necessary for traditional, religious, or ceremonial purposes, such as herbals, medicines or traditional use items are also allowed. All cultural sites are generally allocated to Scientific Use, other than the few Public Use sites (five and Sun Valley Mine). 350 sites have been recorded in VCNM from 2000 to the present.





Land Management Tradeoffs

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