

Conserving Lands and Prosperity: Cody, Wyo., a Case Study

For:

Sportsmen for Responsible Energy Development

By:

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Executive Summary:

The U.S. economy needs the raw materials found on western public lands. The jobs supported by developing these commercial resources are important contributors to the western economy. Likewise, jobs and economic benefits dependent on fish, wildlife and the West's natural qualities have provided steady growth but are often overlooked. Recognizing both activities are economically beneficial, and they can often occur in the same locations, striking a balance between these sometimes conflicting land uses is important to maintain short term and long term economic health in many areas of the rural West.

To highlight the importance of a proper balance, this report explores Cody, Wyoming and how its economy has balanced these business sectors in recent years. The goal is to increase understanding that outdoor recreation - including hunting, fishing and wildlife viewing – are a beneficial and necessary component of a healthy rural economy.

The local economy of Cody, WY is fairly diversified. Four different industry sectors each represent at least ten percent of the area's employment. In Park County, Wyoming, where Cody is located, overall employment has approximately doubled since 1969, and the number of small businesses (sole proprietorships) has increased by more than 250 percent. Nearly two-thirds (62 percent) of the land area in Park County includes public lands with some level of restriction on extractive activities such as mining, logging and grazing. Much of this growth results from hunters, anglers and visitors to nearby Yellowstone Park, and from growth in nearby oil and gas development.

A healthy balance between employment in the commodity production sector, including oil and gas development, and other sectors where local jobs rely on fish and wildlife resources can be seen in Cody. Mining employment is cyclical, growing rapidly from 1969 to 1981 (over 150%) before experiencing an extended period of decline until 2003. Mining employment in Park County has grown again, returning to employment levels last seen eighteen years earlier. Mining peaked at 10.8 percent of all jobs in 1981, but its share dropped to 4.2 percent by 2009. This pattern is common to most other counties in the non-metropolitan West. Growth in other sectors such as recreation and tourism have helped grow and diversify the local economy, hence mining's decreased share of the jobs market despite its recent growth.

Using data provided from local sources, the number of jobs associated with fishing, hunting and wildlife viewing average around 785 or about ten percent of total employment in Cody. By benchmarking these jobs with other data, sportsmen and wildlife watchers are estimated to contribute \$30.1 million to the Cody economy annually. Statewide data indicate that other outdoor recreations, such as hiking, camping, skiing and more, in total provide three to four times more in additional economic impacts. Recognizing the importance of natural habitat to their diversified economy, nearly three-fourths of the area's respondents strongly or somewhat agreed that "reservation of open space

must be an important consideration... ..when city and county governments make zoning and permitting policy.”

Fishing, hunting, and wildlife watching have always been integral parts of Cody’s identity, even before energy development reached the area. When the next downward cycle occurs within the commodity production sectors, these natural and scenic resources will remain an important contributor to the region’s economy and way of life. By balancing the needs associated with outdoor recreation along with energy development, Cody, Wyoming will be able to achieve significant economic returns for years to come.

Introduction:

Commercial development of commodity resources (including energy, mining and similar activities) is a major jobs and income generator for rural communities. Poorly planned development can have long term impacts on the economic opportunities provided by outdoor recreation, hunting and fishing. Government statistics do not define or report economic figures for outdoor recreation or for a “fish and wildlife-related” industry. Contributions by outdoor recreationist, anglers, hunters and wildlife viewers often are not recognized as an economic engine. To illustrate the economic importance of outdoor recreation, hunting and fishing and to rural economies, a careful examination of Cody, Wyoming, including site visits and interviews with key business owners/managers and community leaders was undertaken. The resulting study explores how spending by outdoor recreationist, sportsmen and wildlife viewers, especially those who are attracted to Cody from beyond the region, contribute to the economic health of the community. Fishing, hunting, wildlife viewing and other outdoor recreation is a sustainable economic driver that should be considered with other important industry sectors when decision-makers are charged with formulating rural development strategies.

Whether it is ranching, oil and gas development, or recreation and tourism, Western rural communities rely on diverse sources of economic income. Based on an assessment of economic and population growth, this report shows that some communities with exceptional natural landscapes and outdoor recreational opportunities have experienced strong economic growth with a large percentage of their area designated as not available for mining, energy development and similar activities. In contrast, western counties with greater economic dependence on commodity production have seen less growth overall, though in some areas these activities remain their best economic alternative. This study posits that development of commodity resources is important for rural economies but it must be done responsibly to avoid long term impacts to the significant economic opportunities provided by outdoor recreation, hunting, fishing and wildlife viewing. To highlight the importance of a balanced approach, this report explores the example of Cody, WY.

Community Background

Founded in 1896 by its namesake, Colonel William F. "Buffalo Bill" Cody, the city of Cody, Wyoming is a community of 9,520 residents located in Park County in the northwestern corner of the

state. Approximately 20 miles west of the city is the Shoshone National Forest, and thirty miles further west is the East Entrance to Yellowstone National Park. The Shoshone River runs through Cody with the confluence of the North Fork and South Fork of the river just west of the city (Figure 1).

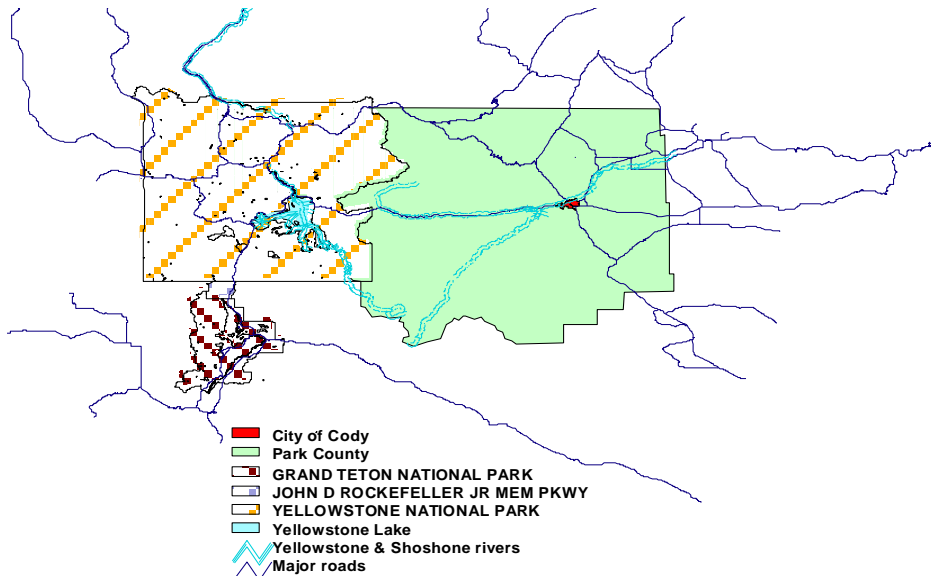
Yellowstone is the nation's oldest national park and the fourth most visited national park in 2010 with 3.6 million recreational visitors. The park is accessed through five controlled gates. Visitors staying overnight or traveling through Cody are most likely to enter the park through the East Gate (468,253 recreational visitors), or more indirectly through the Northeast Gate (229,876 recreational visitors). Together, these two entrances accounted for 19.5% of visitors entering the park in 2010. The Park hosts numerous outdoor recreation activities from fishing and boating to biking, hiking and camping, but with more wildlife than almost anywhere in the United States, wildlife watching is a primary draw for Park visitors.

The Wapiti Valley (East Yellowstone Valley) lies in the Absaroka Range of the Rocky Mountains between Cody and Yellowstone National Park. The Valley is a gateway to Yellowstone and Grand Teton National Parks and extends through the Shoshone National Forest. The stretch of highway that runs from Cody through the valley to Yellowstone National Park, is known as the Buffalo Bill Cody Scenic Byway, and is notable for its views of rugged rock formations and wildlife as it follows the winding North Fork of the Shoshone River. The area is home to numerous lodges and dude ranches sequestered in pockets of the Shoshone National Forest.

Rated among the ten best public lands for elk hunting, the Shoshone National Forest is also known for its abundance of other big game animals including moose, mule deer, whitetail deer, bighorn sheep, mountain goat, antelope, wolves, black bear and grizzly bear. Over 1.3 million acres of designated wilderness areas are found within the borders of the National Forest. The Forest encompasses five separate wilderness areas and provides habitat for a variety of trophy big game animals and several species of trout.

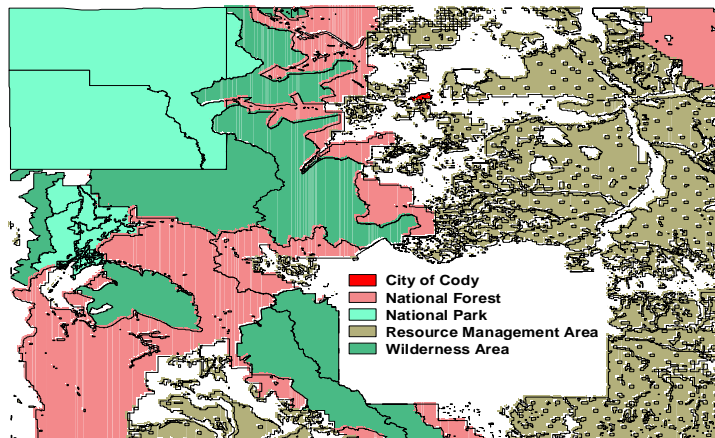
The Shoshone River (including the North Fork and South Fork) and the other rivers and lakes in the region offer world class fishing for Yellowstone cutthroat, rainbow, cutbow and brown trout. Several waters also support populations of Arctic grayling and Mountain whitefish. Self-guided fishing as well as guided float trips and horseback trips to wilderness fishing locations attract anglers from through the country and beyond.

Figure 1. Cody, Wyoming and regional outdoor recreation resources.



Cody is surrounded by public lands on all sides with national forest lands to the west and conservation/recreation lands managed by Bureau of Land Management (BLM) to the east. The BLM lands are interspersed in checkerboard fashion with small parcels of intensely managed lands (Figure 2). The National Forests and BLM lands support significant fishing, hunting and wildlife watching activity. Generally, intensely managed lands are actively managed to produce income for the state's schools and public institutions. The conservation/recreation lands, other than cultivated croplands, are available for public hunting, fishing and casual recreational day uses.

Figure 2. Cody, Wyoming and proximity to selected types of federal lands.



The value that the residents of Cody place on the natural environment in their local community and surrounding areas is evident in the results of surveys conducted in 2009/2010¹. Conducted by a local organization, “Cody 2020”, to develop a shared vision of Cody’s future, nearly three-fourths of the respondents strongly agreed or somewhat agreed that “reservation of open space must be an important consideration... ..when city and county governments make zoning and permitting policy.” More than one-half of the respondents strongly agreed with the statement. Concerning preservation of open space, maintaining access to public lands and preserving scenic quality were the two most important considerations, cited by 43% and 31% of respondents, respectively. Regarding environmental concerns, residents of Cody take a balanced view to development and conservation/recreation with approximately equal weight given to both perspectives. Among environmental considerations, clean air and water, open vistas and wildlife were the highest ranked concerns. Key points in the “Environment” section of the summary document highlight the goals of:

- Providing a balance between development/industry & the protection of the environment;
- Designing policies to facilitate development while ensuring environmental protection; and
- Valuing & protecting habitat, wildlife, clean air and water, and a quiet environment

Long-term growth and public lands in Park County, Wyoming:

A separate report took an extensive look at the economic relationship between public land management policies and long-term economic growth in the Rocky Mountain states from 1969 to 2009 (Lorah and Southwick, in press, 2012). This report divided western public lands into three primary categories:

Conservation/recreation lands: include lands where development of any commodity resources are not permitted, such as National Park Service Lands, most monuments, and wilderness areas, plus most USFS and many BLM lands where timber, grazing and some mining activities are permitted.

Moderately managed lands: managed for a combination of commodity development and recreational/conservation activities.

Intensely managed lands: managed for commercial development of natural resources to generate revenues for state and local government and services

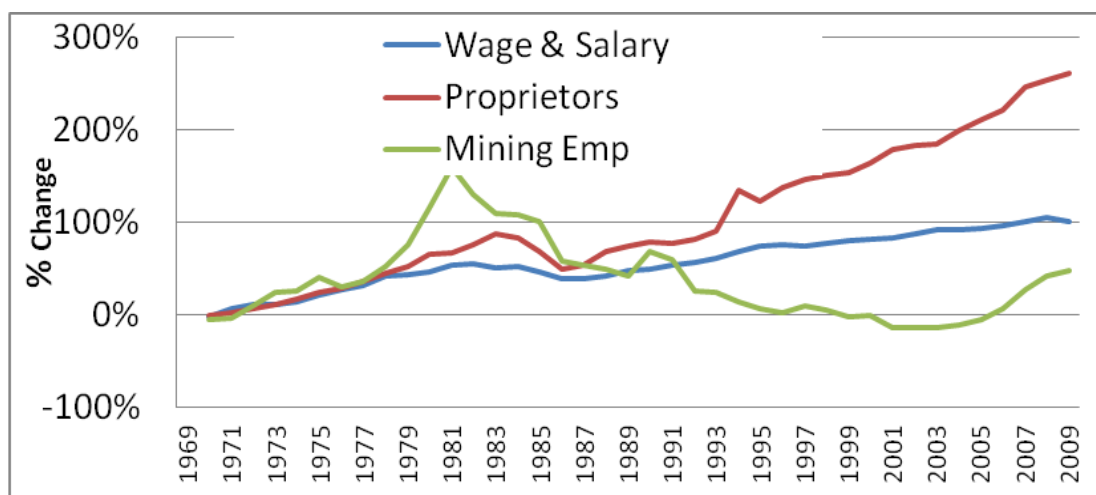
Conservation/recreation lands have enjoyed higher rates of employment, income and overall economic growth than lands managed for production of commodity resources. New jobs associated with economic activity associated with these lands ran the full range from general service economy jobs up to higher paying, highly skilled and professional positions. Moderately managed lands and intensely managed lands experienced lower rates of economic growth. In times when commodity sectors experienced downward trends, growth related to services such as those related to recreation and

¹ Cody 2020 - Community Values (Final Report). <http://www.forwardcody.com/index.cfm?id=124>

tourism grew helping to sustain the short- and long-term rural economy.² These results argue for the need to balance the needs of both types of economic activity to help diversify rural economies and sustain them through times when one sector or another experience downward trends.

Park County, Wyoming, where Cody is located, generally follows these trends. Since 1969, overall employment has approximately doubled, and the number of small businesses (sole proprietorships) has increased by more than 250 percent. Employment in the mining sector³ has been highly cyclical. Mining employment grew rapidly from 1969 to 1981 (over 150% increase) before experiencing an extended period of decline until 2003. Since then mining employment in Park County has grown strongly, returning to employment levels last seen eighteen years earlier (Figure 3).

Figure 3. Employment change in Park County, Wyoming, 1969 - 2009.

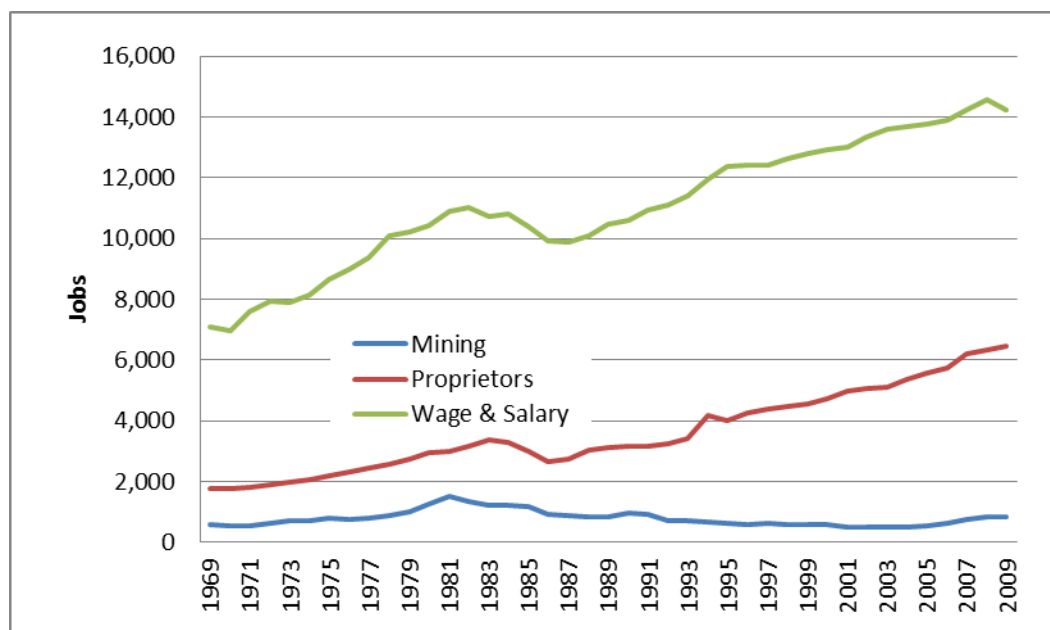


As a result of these swings, mining employment has not kept pace with overall employment growth (Figure 4). Where mining contributed 6.5 percent of all jobs in Park County in 1969 and peaked at 10.8 percent of all jobs in 1981, its share of employment declined steadily to only 2.7 percent of jobs in 2004. The recent boom only raised its share of county-wide jobs to 4.2 percent by 2009. This is similar to growth patterns found in most other western nonmetropolitan counties, and demonstrates the need to effectively manage and conserve the area's fish, wildlife and scenic resources to help ensure a strong economic future.

² See appendix A for a definitions of how lands were defined in this study. The study acknowledges that most counties have both lands where extractive industries operate and areas set aside for recreation, lower intensity industry such as timber or grazing, and a few areas set aside for non-consumptive activities such as national parks and monuments.

³ The mining sector includes oil and gas extraction, mineral and non-minerals mining, and support activities for mining.

Figure 4. Employment in Park County, Wyoming, 1969-2009.



Nearly two-thirds (62 percent) of the land area in Park County fits the Lorah and Southwick classification of “conservation/recreation” lands where many areas provide not just tourism and recreation income, but also jobs and benefits from mining and other commodity activities. In Lorah and Southwick’s ranking of all 204 nonmetropolitan counties by percentage of land area assigned conservation/recreation status, Park County ranks 18th. The percentage of conservation/recreation land open to the public in Park County is comparable to the average percentage of conservation/recreation land in the top forty counties in the Rocky Mountain states (61.1 percent). In terms of per capita income (Figure 5) and the rate of growth in per capita income (Figure 6), Park County has exceeded most other Rocky Mountain nonmetropolitan counties with comparable proportions of conservation/recreation lands and for other nonmetropolitan counties with lesser proportions of conservation lands or higher proportions of lands and income designated for commodity production.

Figure 4. Growth in per capita income in Park County, Wyoming and other nonmetropolitan counties in the Rocky Mountain West, 1969-2009.

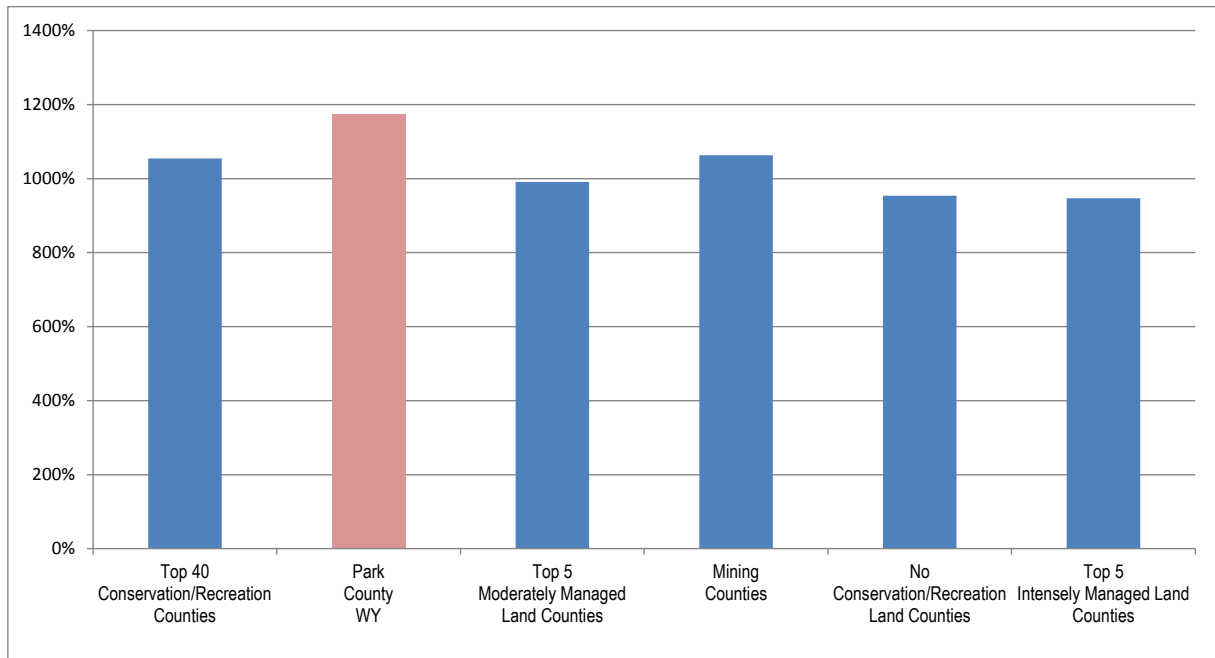
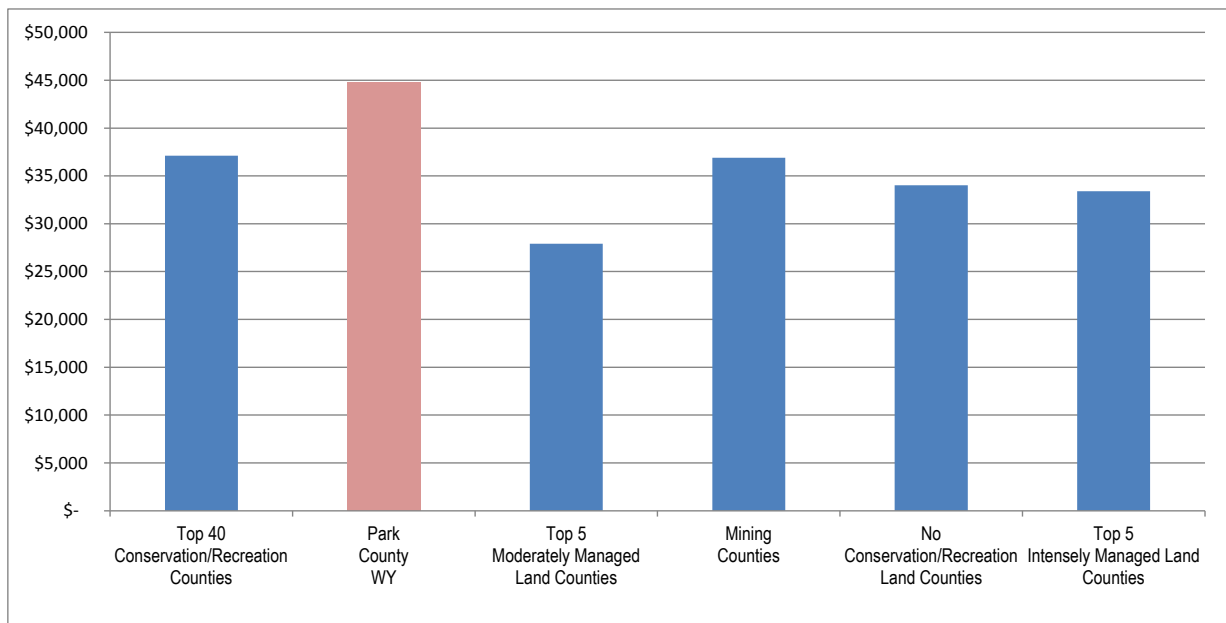
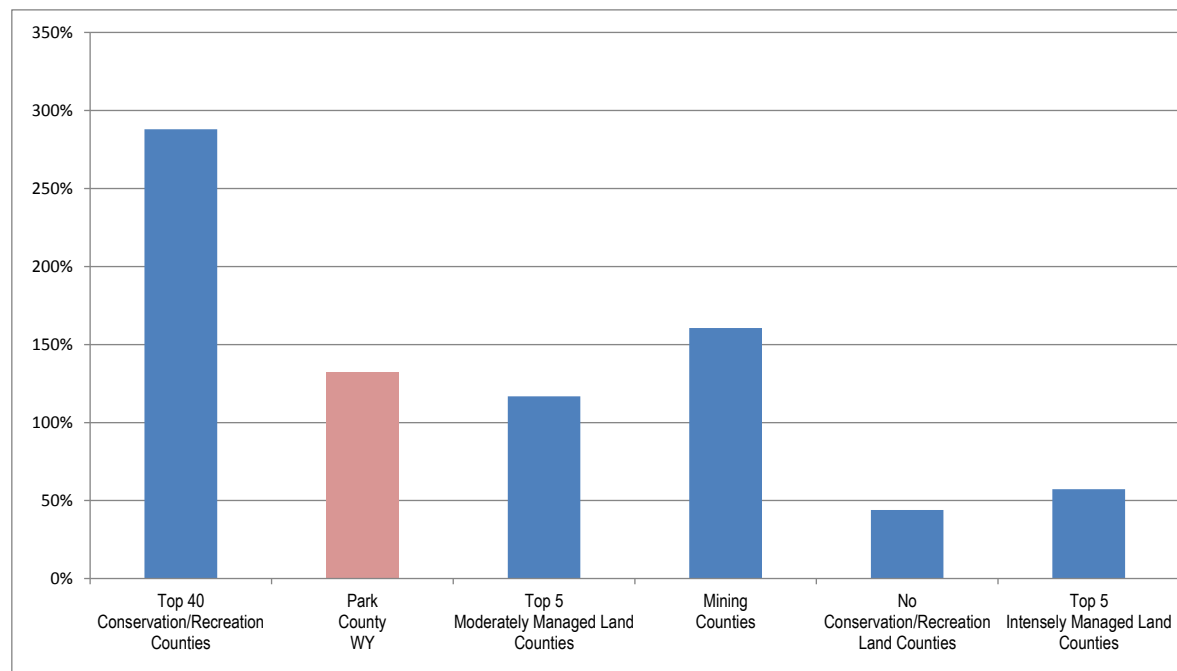


Figure 5. Per capita income in Park County Wyoming and other nonmetropolitan counties in the Rocky Mountain West, 2009.



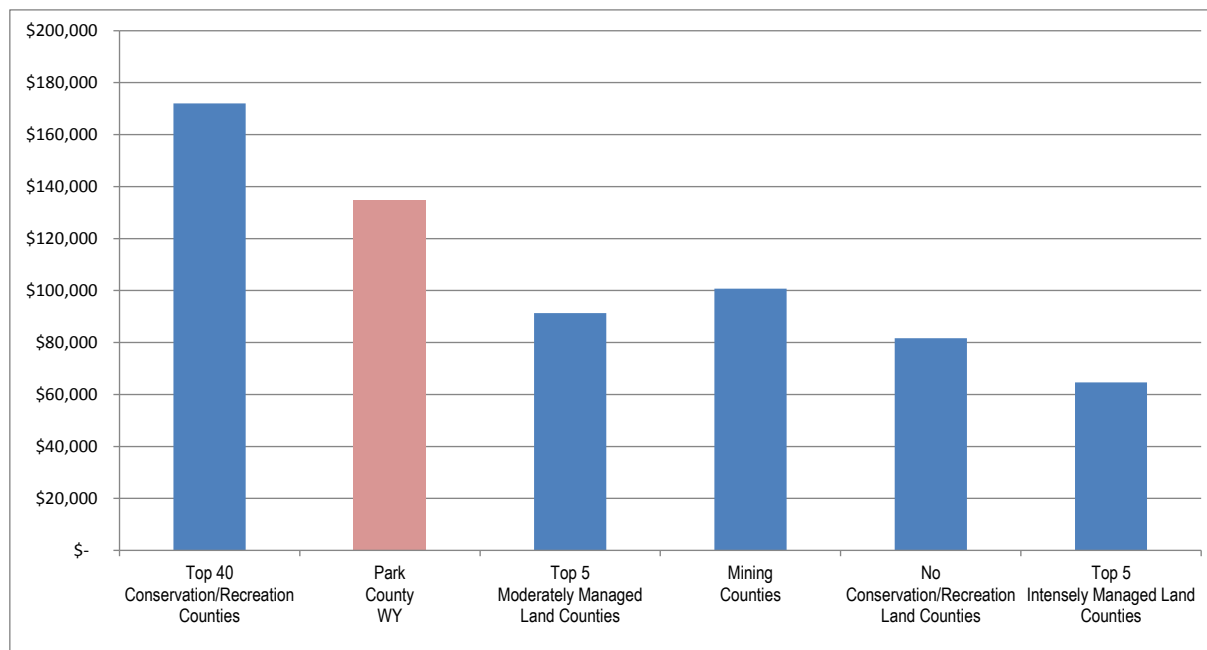
Although employment growth (Figure 7) in Park County has been below that of other nonmetropolitan counties with similar levels of conservation/recreation lands, the increase in jobs since 1969 has exceeded job growth in the top five moderately managed land counties, the top five intensely managed land counties, and counties with no conservation lands. Employment growth in Park County has been slightly below job growth for typical mining-oriented counties.

Figure 6. Employment growth in Park County, Wyoming and other nonmetropolitan counties in the Rocky Mountain West 1969 - 2009.



Median housing values in Park County are less than the average value in other counties with comparable levels of conservation/recreation land, but are still considerably higher than the housing values in all other types of nonmetropolitan counties based on land use (Figure 8).

Figure 7. Median housing values in Park County, Wyoming and other nonmetropolitan counties in the Rocky Mountain West, 2004.



Hunting, fishing and wildlife watching as an economic engine in Wyoming:

Sportsmen who hunt and fish and others who enjoy viewing wildlife make significant expenditures in these pursuits. Based on figures from the 2006 National Survey of Fishing, Hunting and Wildlife-Associated Recreation (the latest year for which survey results are available), more than 102,000 sportsmen hunted in Wyoming and nearly 203,000 anglers fished in the state that year.⁴ In each case, slightly more than half of the participants were nonresidents (Table 1). The report indicates that 521,000 people engaged in wildlife watching, although with more than 3 million recreational visitors to Yellowstone National Park, this estimate may significantly undercount the number of people who travel to view wildlife in Wyoming.

⁴U.S. Department of the Interior, Fish and Wildlife Service, and U.S. Department of Commerce, U.S. Census Bureau. 2006 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation.

Table 1. Participation in hunting, fishing and wildlife watching in Wyoming, 2006.

| | PARTICIPANTS | | | | | |
|--------------|----------------|-------------|----------------|-------------|--------------------|-------------|
| | Hunters | | Anglers | | Wildlife Watchers^ | |
| Resident | 49,838 | 49% | 96,052 | 47% | 71,000 | 14% |
| Nonresident | 52,451 | 51%* | 106,671 | 53%* | 451,000 | 87%** |
| Total | 102,289 | 100% | 202,723 | 100% | 521,000 | 100% |

Source: USFWS "2006 Survey of Fishing, Hunting and Wildlife-Associated Recreation"

^Includes only activities away from home

*Tied for 2nd highest rate in U.S.

**Tied for highest rate in U.S.

The 2006 national survey reports that hunters, anglers and wildlife watchers spent in excess of \$1.0 billion in Wyoming related to their activities (Table 2). Including the multiplier effects, this spending supported 16,502 jobs in Wyoming and provided \$424.4 million of income.

Table 2. Economic impacts of expenditures made for fishing, hunting and wildlife watching in Wyoming, 2006.

| | IMPACTS | | | |
|--------------------|------------------------|----------------------|---------------|----------------------|
| | Expenditures | Income | Jobs | State & Local Taxes |
| Hunting | \$146,801,378 | \$77,061,651 | 3,071 | \$13,361,942 |
| Fishing | \$528,906,916 | \$182,349,441 | 7,398 | \$64,332,721 |
| Wildlife Watching* | \$394,869,000 | \$164,963,381 | 6,033 | \$52,158,264 |
| TOTAL | \$1,065,492,675 | \$424,374,473 | 16,502 | \$129,852,927 |

Source: USFWS "2006 Survey of Fishing, Hunting and Wildlife-Associated Recreation"

*Estimated

Hunting by sportsmen includes more than basic hunting and fishing equipment. The U.S. Fish and Wildlife Service categorizes sportsmen's spending into several broad categories, including trip-related expenditures (primarily consumable goods and services that are directly tied to a hunting or fishing outing – food, lodging, fuel, bait, guides, etc.), gear (durable equipment directly related to hunting and fishing – firearms, bows, decoys, rods, reels, tackle, etc.), other equipment (dual-use equipment that may be used for hunting and fishing – boats, binoculars, clothing, off-road vehicles), and other miscellaneous equipment. Perhaps, surprisingly, hunting and fishing gear is a relatively small portion of sportsmen's total spending. Among all sportsmen in Wyoming, hunting and fishing gear

account for 16 percent and 3 percent of all spending, respectively. Typically, sportsmen purchase gear near their place of residence; while trip-related purchases occur closer to the where the activity takes place.

The economic contributions of other outdoor recreation in Wyoming

While the rest of this report focuses on fish and wildlife-associated recreation, it is also important to note that other popular outdoor activities such as hiking, kayaking, cycling, camping and snow sports also provide Wyoming with an additional \$3.2 billion in expenditures, \$1.8 billion in income and \$233 million in state and local tax revenues.⁵

Fishing, hunting and wildlife viewing expenditures in Cody, Wyoming

In the case of Cody, Wyoming, it is likely that a majority of the equipment sold in local sporting goods stores is purchased by local sportsmen, while much of the trip-related goods and services are purchased by visitors to the area. To gauge the importance of hunting and fishing to the local economy, we looked specifically at purchases made primarily by overnight visitors because their spending in Cody represents new dollars to the local economy.

Total lodging sales in Cody can be estimated on the basis of the County's 4% lodging tax. In fiscal year 2011, \$924,486 in lodging taxes were collected. At the 4% rate, this translates into \$23.1 million of lodging sales. Based on site visits and discussions with owners and managers of several lodging establishments, we estimate that approximately 52 percent of annual lodging revenues are attributable to sportsmen and wildlife watchers⁶.

Table 3. Estimated lodging expenditures by hunters, anglers, wildlife watchers and other visitors in Cody, Wyoming, 2010/2011.

| | Lodging revenue | % of total |
|-------------------|----------------------|---------------|
| Hunters | \$ 1,791,365 | 7.8% |
| Anglers | \$ 2,306,762 | 10.0% |
| Wildlife watchers | \$ 7,962,360 | 34.5% |
| Other lodging | \$ 11,051,661 | 47.8% |
| TOTAL | \$ 23,112,149 | 100.0% |

Using lodging expenditures by sportsmen and wildlife viewers as a benchmark, we use the expenditure profiles from the USFWS survey of Wyoming participants to estimate other expenditures.

⁵ Outdoor Industries Foundation. State-Level Contributions of Human-Powered Recreation. 2008.

⁶ Estimates are based on occupancy rates by season and reported percentage of seasonal guests who are hunters, anglers and visitors to Yellowstone National Park.

We limit this analysis to those trip-related expenditures that reasonably can be expected to be made by visitors to Cody. For example, persons traveling to Cody by personal automobile are unlikely to make most of their gasoline purchases within the town of Cody. Depending on the distance traveled, the amount purchased in Cody could range from zero percent to roughly one-half. For this analysis, we assume one-quarter of sportsmen's gasoline purchases are made in Cody. Under these assumptions, we estimate that visiting sportsmen and wildlife watchers contribute \$30.1 million to the Cody economy.

Table 4. Trip-related expenditures made by hunters, anglers and wildlife watchers in Cody, Wyoming.

| | Hunters | Anglers | Wildlife Watchers | Total |
|------------------------------|--------------------|--------------------|----------------------|---------------------|
| Food | \$2,039,048 | \$3,067,148 | \$7,754,365 | \$12,860,560 |
| Lodging | \$1,791,365 | \$2,306,762 | \$7,962,360 | \$12,060,487 |
| Gas & oil | \$409,876 | \$1,066,577 | \$2,063,232 | \$3,539,685 |
| Other fuel (boat, ATV, heat) | \$24,698 | \$125,332 | na | \$150,030 |
| Outfitter/Guide fees* | \$1,222,868 | \$283,273 | na | \$1,506,141 |
| TOTAL | \$5,487,854 | \$6,849,092 | \$17,779,957 | \$30,116,903 |

**Does not include lodging charged separately*

The contribution of fishing, hunting and wildlife watching in Cody, Wyoming

The local economy of Cody is fairly diversified with four different industry sectors each representing ten percent or more of total employment in 2009. The town is a regional service center with health care and social assistance accounting for the highest share of jobs (18.6%) and retail trade contributing the second highest share (16.4%). The role of tourism and the town's status as a base camp for sportsmen is underscored by the high percentage of employment associated with accommodations and eating and drinking places (13.8%).

Table 5. Establishment and employment by sector in Cody, Wyoming, 2009.

| Industry Sector | Establishments | | Employees* | |
|---|----------------|---------------|--------------|---------------|
| | Number | Percent | Number | Percent |
| Forestry, hunting, and Agriculture Support | 4 | 0.5% | 21 | 0.3% |
| Mining, quarrying, and oil and gas extraction | 14 | 1.8% | 321 | 4.4% |
| Utilities | 3 | 0.4% | 71 | 1.0% |
| Construction | 106 | 13.6% | 817 | 11.2% |
| Manufacturing | 33 | 4.2% | 436 | 6.0% |
| Wholesale trade | 24 | 3.1% | 193 | 2.6% |
| Retail trade | 123 | 15.8% | 1,199 | 16.4% |
| Transportation and warehousing | 22 | 2.8% | 129 | 1.8% |
| Information | 12 | 1.5% | 199 | 2.7% |
| Finance and insurance | 38 | 4.9% | 259 | 3.5% |
| Real estate and rental and leasing | 44 | 5.6% | 103 | 1.4% |
| Professional, scientific, and technical services | 66 | 8.5% | 352 | 4.8% |
| Management of companies and enterprises | 3 | 0.4% | 39 | 0.5% |
| Admin, Support and Waste Mgt and Remediation Svcs | 46 | 5.9% | 245 | 3.3% |
| Educational services | 4 | 0.5% | 13 | 0.2% |
| Health care and social assistance | 66 | 8.5% | 1,357 | 18.6% |
| Arts, entertainment, and recreation | 34 | 4.4% | 316 | 4.3% |
| Accommodation and food services | 83 | 10.6% | 1,011 | 13.8% |
| Other services (except public administration) | 55 | 7.1% | 225 | 3.1% |
| Industries not classified | 1 | 0.1% | 2 | 0.0% |
| Total | 780 | 100.0% | 7,305 | 100.0% |

Source: ZIP Code Business Patterns, US Department of Commerce.

*Estimated

Using data provided by the local economic development agency “Cody Forward”, we estimate the number of jobs associated with spending on fishing, hunting and wildlife viewing. Altogether, 785 jobs, or about ten percent of total employment in Cody is associated with direct spending on these activities (Table 6).

Table 6. Employment in Cody, Wyoming supported by spending on fishing, hunting and wildlife watching.

| | Hunters | Anglers | Wildlife watchers | Total |
|------------------------------|------------|------------|----------------------|------------|
| Food | 67 | 101 | 254 | 422 |
| Lodging | 45 | 58 | 202 | 305 |
| Gas & oil | 2 | 6 | 11 | 19 |
| Other fuel (boat, ATV, heat) | 0 | 1 | na | 1 |
| Outfitter/Guide fees* | 31 | 7 | na | 38 |
| TOTAL | 146 | 173 | 467 | 785 |

In addition to the direct economic metrics of spending by anglers, hunters and wildlife watchers, the culture of the outdoors is an integral part of life in Cody. Business in Cody, WY thrives during the summer months due to the influx of tourism and visitors. “If you work on Main Street, you’re very busy four to five months out of the year,” says Blake Clark, an employee of The Humble Fly Shop. All lodging facilities are open for the tourist season - a total of 41 different hotels, motels and other lodging places. Many of the smaller inns and bed & breakfasts close during the off-season reducing the number to 18 different lodging facilities. Many of the businesses that serve sportsmen and tourists rely on the booming summer business to sustain their operations through the leaner off-season. Conversations with lodging owners and managers suggest occupancy in the summer months typically exceeds 90%, while during the winter months lodging facilities operate at roughly one-third capacity.

Visitors to Cody frequently venture to Yellowstone to experience its rich wildlife and landscape. Hotels such as The Cody and the Comfort Inn report their business is directly driven by visitors to the park in the summer months. Without this business, many businesses wouldn’t be able to sustain operation. “If it wasn’t for the wildlife, the recession would have hit this town much harder,” says General Manager of the Comfort Inn, Pernille Swienink. During the summer months, the busy season, the Comfort Inn holds a 95% occupancy rate while crediting 95% of the business to tourism and visitors traveling to the park. During the fall, months such as October, hunters from away account for 25% of the hotel’s occupancy. The same is estimated for anglers during the spring and summer months.

The money spent on lodging in Cody not only benefits the hotels, but also other area businesses and the community. These businesses distribute visitors’ dollars to other businesses in all parts of the regional economy. They also pay their employees who then further distribute visitors’ dollars across the region. One of these businesses is the Rocky Mountain Discount Sports store. Store managers report that roughly 60% of sales are on hunting supplies, 30% clothing retail, and 10% on fishing equipment. The money spent on such purchases provide payment to the 15 employees and allow for re-orders from the manufacturers, marketing and advertisement costs, and hire services from other local businesses. And it is not just Rocky Mountain Discount Sports. North Fork Anglers, a fly shop and guide service

located on Main Street, employs 14 full time guides and 18 guides in total, and 24 other hunting and fishing outfitters operate in Cody, too.

Sportsmen who come to Cody, WY support the same businesses and lodging facilities as the visitors to Yellowstone, such as the Bear Tooth Inn. According to the hotel owner, over one-third of the hotel's business in the fall months comes from hunters. "We would hate to not have that business. Fishing, hunting, and wildlife viewing is substantially important to my business and to the entire community," says Brad Constantine, owner of the Bear Tooth Inn. Doug Williams, General Manager of The Cody Hotel, says, "Hunting, fishing, and wildlife viewing is crucial to this community." Although hunting and fishing make up less of his clientele compared to the 90% that is attributed to wildlife watchers, "It's still vitally important," he claims.

Other businesses that operate in downtown Cody also feel the benefits of having a strong outdoor sector. Even Big Horn Galleries, a high-end art gallery, attributes roughly 5% of their sales each year to sportsmen who visit while hunting and fishing in the region. Garret Growney, Vice President of Commercial Loans, at the Pinnacle Bank agrees, "fishing, hunting and wildlife viewing is very popular in Cody, WY."

Conclusion

The benefits of having a strong outdoor sector reach all corners of the Cody, WY community. The community of Cody preserves its culture and history by promoting the same distinct assets that made it desirable years ago. The abundance of game animals provide great opportunities for hunters, the capability to see animals that are unique to the region attract visitors from all over the world, and the clear clean streams and whitewater bring anglers and their dollars to the area.

Cody's economy in the future depends on the wise management of the region's natural resources. Commodity production has been and will continue to play an important role in the economic health and vitality of the region. It is also clear that the cyclical nature of these industries requires public land managers and local officials to responsibly manage the development of commodity resources to ensure the economic benefits from healthy landscapes that provide for outdoor recreation, hunting, fishing and wildlife viewing are maintained.

The information presented in this report is intended to help public officials at the local, state and national levels understand the importance of balancing all sectors of the economy. If properly and responsibly balanced with industries producing commodity resources, outdoor recreation and tourism will provide significant growth and an economically healthier community well for many more years to come.

APPENDIX 1

Designation of Lands as Conservation/Recreation, Multiple Use or State Trust Lands

In Lorah and Southwick (2012), land use definitions were obtained from the Protected Areas Database from the Conservation Biology Institute (2010). This GIS database contains detailed information on the location, extent and management goals of state and federal lands. Management goals for these lands are quite diverse, ranging from wilderness preservation to active promotion of oil and gas leasing and other commodity production activities.

The Protected Areas database assigns state and federal lands to several categories. These definitions are provided directly from the Conservation Biology Institute:

“GAP Status 1: An area having permanent protection from conversion of natural land cover and a mandated management plan in operation to maintain a natural state within which disturbance events (of natural type, frequency, intensity, and legacy) are allowed to proceed without interference or are mimicked through management.”

“GAP Status 2: An area having permanent protection from conversion of natural land cover and a mandated management plan in operation to maintain a primarily natural state, but which may receive uses or management practices that degrade the quality of existing natural communities, including suppression of natural disturbance.”

“GAP Status 3: An area having permanent protection from conversion of natural land cover for the majority of the area, but subject to extractive uses of either a broad, low-intensity type (e.g., logging) or localized intense type (e.g., mining). It also confers protection to federally listed endangered and threatened species throughout the area.”

State Trust Lands: State Trust Lands generally have no mandate for environmental protection. “Unlike other categories of public lands, the vast majority of state trust lands are held in a perpetual, intergenerational trust to support a variety of beneficiaries, including public schools. . . these lands are actively managed for a diverse range of uses, including: timber, grazing, mining for oil and gas and other minerals, agriculture, commercial and residential development, conservation, and recreational uses such as hunting and fishing... revenue generation from state trust land has focused on the leasing and sale of natural products. Even in the present day, many Western states continue to obtain significant financial benefits from specific natural resource management activities on trust lands – particularly subsurface uses. Oil, gas, coal, and other mineral extraction continues to provide the bulk of the revenues derived from trust lands for states such as Colorado, New Mexico, Texas, Utah, and Wyoming, and will likely continue to do so in the future. Timber management also continues to provide significant revenues ...”

Gap 1 lands, having the highest levels of use restrictions, are generally areas that have received wilderness designation, are National Park lands and in some cases monuments. Gap 2 lands include most U.S. Forest Service lands and BLM lands which timber, grazing and other valuable commercial uses are permitted and monitored. Together, these two types of lands were combined and referred to as **conservation/recreation** lands. Gap 3 lands allow higher levels of commodity production such as some mining and energy development, and are referred to as **moderately managed lands** in this report. Gap 1, 2 and 3 lands represent the spectrum of federal lands managed under the multiple-use doctrine. The third major land category used in this report allows intensive commercial development of natural resources and are often referred to locally as **state trust lands**, and in this report, will be referred to as **intensely managed lands** per the description provided above. These lands are often important sources of tax revenue and income for state and local communities. Moderately managed lands can be considered the combined approach between conservation/recreation and state trust lands. Appendix 2 provides maps showing the breakout of each of the three land designations used in this report.

For more information, see Society <http://wilderness.org/content/frequently-asked-questions-about-wilderness#6>).

APPENDIX 2

Figure A-1. Conservation/Recreation lands (Gap 1 and Gap 2 lands). Source: Conservation Biology Institute (2010).

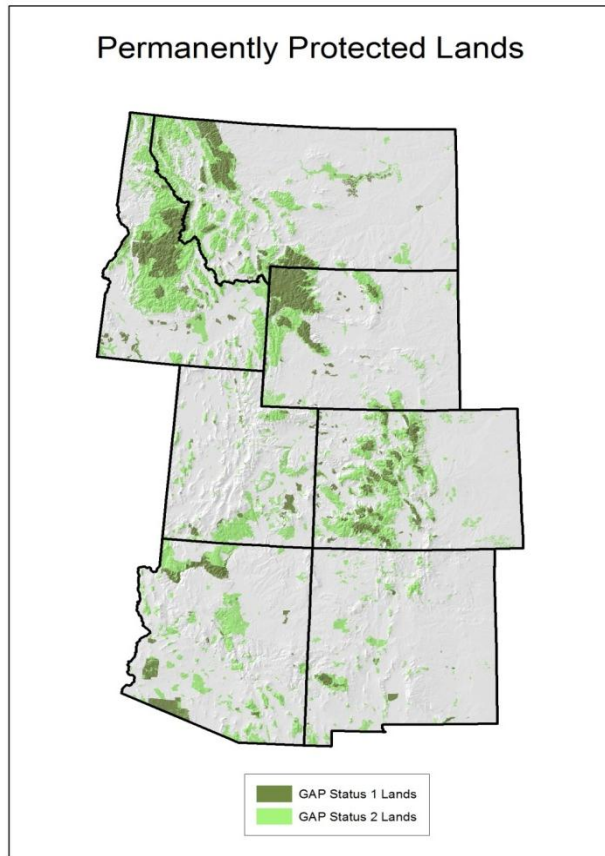


Figure A-2. Moderately managed (Gap 3) and Intensely managed Lands. Source: Conservation Biology Institute (2010).

