

Fort Ord's Public Lands and Economic Prosperity



The federally-owned Fort Ord public lands operated by the Bureau of Land Management (BLM) provide a number of benefits to Monterey County and surrounding communities. These lands—containing some of the last undeveloped natural wildlands in the area—provide important recreation and open space for local residents, safeguard unique and threatened wildlife and plants, and stimulate tourism and recreation jobs that are a significant part of the county's economy and efforts to diversify its economic base.

Monterey County, home to more than 415,000 residents and part of the larger San Francisco Bay Area of some eight million, is a mix of urban, residential, and agricultural land known for a number of significant landmarks such as Monterey Bay and Aquarium, Carmel-Big Sur region, and agricultural lands that make the county the “salad bowl” of the country.

This document summarizes existing research on the economic role of protected public lands, provides details and context for Monterey County's economy, and discusses the multiple uses and benefits of Fort Ord public lands to surrounding communities. Looking ahead, providing protective designation to the BLM's lands within Fort Ord will help preserve the natural integrity of the area while playing an important part of any economic development strategy for the region.



THE ECONOMIC IMPORTANCE OF NATIONAL MONUMENTS TO WESTERN COMMUNITIES

Recent research on the economic contributions of large national monuments in the West created in the last generation (a total of 17 monuments) found that adjacent economies grew, adding new jobs, and per capita income increased, in real terms, in every case after the creation of these national monuments. The study includes three national monuments in California: Giant Sequoia, Carrizo Plain, and Santa Rosa-San Jacinto Mountains.⁷

The study also compared the area around the national monuments to peer areas within the same state—matching rural to rural counties and metro to metro counties. In 12 of the 17 areas around the national monuments studied, or more than two-thirds, the economies around

the national monuments either grew faster or at the same pace as similar counties in the same state where the national monument was located. The analysis shows that the creation of a national monument in no case led to or coincided with a downturn in the economies of adjacent communities.

MONTEREY COUNTY: RECENT MIXED ECONOMIC RESULTS

Monterey County is a large jurisdiction both for its population, with more than 415,000 residents in 2010, and geography, extending over 3,771 square miles. The county is roughly 89 percent urban and 11 percent rural. Salinas is the county seat and largest municipality with 150,000 people.

The federal government owns more than 550,000 acres, or 23 percent of all land in Monterey County. The Forest Service is the largest land manager with 313,506 acres, followed by the U.S. military at just more than 193,000 acres. The BLM controls roughly 45,000 acres in the county.⁸

Of the non-military federal lands, 278,556 acres, or 77 percent, currently have some level of special protection.⁹ Examples include the Salinas River National Wildlife Refuge, part of the Pinnacles National Monument, and part of the Ventana Wilderness. In addition, there are a number of popular state parks.

Economically, Monterey County is one of the largest agriculture-producing counties in California. Local products include lettuce, strawberries, grapes, spinach, and broccoli.¹⁰ Although the recent economic downturn initially impacted Monterey County agriculture, the sector rebounded in 2009 and had one of the best years ever for Monterey's farms, with more than \$4 billion in agriculture production.¹¹

Agriculture, however, is only one of the major industries in Monterey County and many other sectors



WHAT STUDIES SAY ABOUT THE ECONOMIC ROLE OF PROTECTED PUBLIC LANDS

A large and growing body of literature demonstrates that protected public lands assist western communities working to promote a higher quality of life and more robust economic future.¹

Outdoor recreation is important to western economies. In California, for example, the Outdoor Industry Foundation reports that active outdoor recreation contributes \$46 billion annually to the state's economy, supporting 408,000 jobs and generating \$3.1 billion in annual state tax revenue and \$28.1 billion in annual retail sales and services.²

Services jobs such as engineers, nurses, and architects are increasingly mobile, and many entrepreneurs locate their businesses in areas with a high quality of life. Conserving lands, while also creating a new visibility for them through protective designations, helps safeguard and highlight the amenities that attract people and businesses.³

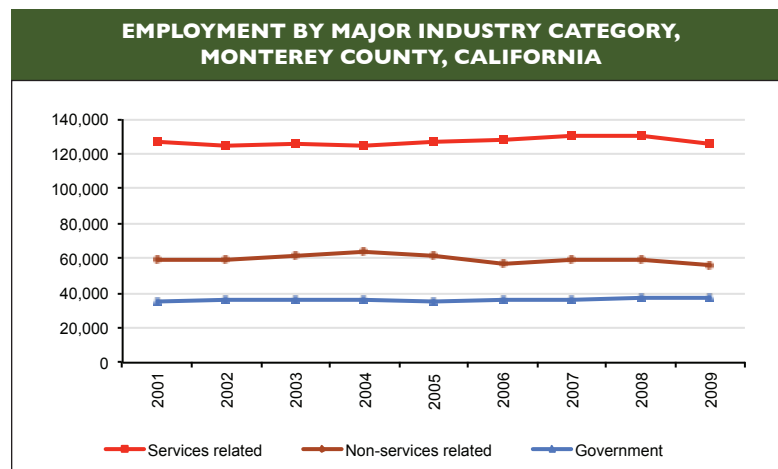
A number of studies have shown that in urban and suburban areas, such as those that surround much of Fort Ord, nearby open space, parks, and outdoor recreation opportunities increase the value of nearby residential and commercial property.⁴

For many seniors and soon-to-be retirees, protected public lands and recreation provide important aspects of a high quality of life. Non-labor sources of income already represent more than a third of all personal income in the West—and will grow as the Baby Boomer generation retires.⁵

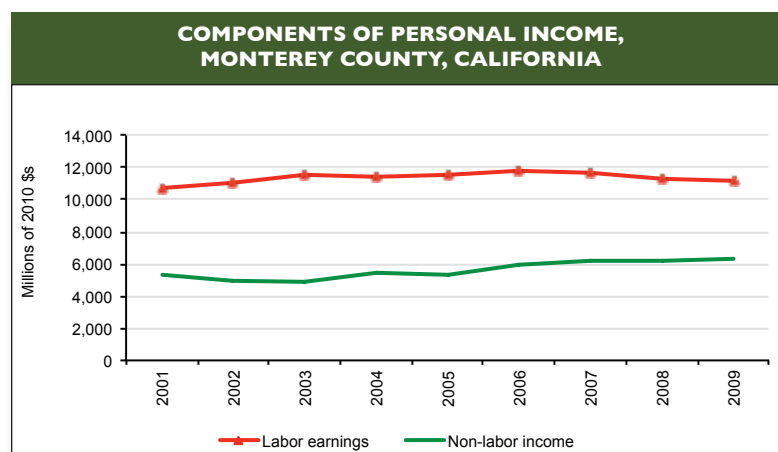
The counties in the West with protected public lands, like national monuments, have been more successful at attracting fast-growing economic sectors and as a result grow more quickly, on average, than counties without protected public lands.⁶

of the economy have struggled during the recent economic difficulties. The county's 2011 economic development forecast, for example, notes that the region is "heavily tied to the retail, tourism, and housing and construction industries which were the hardest hit sectors over the past years."¹²

In the last decade, the county grew by nearly 12,000 people, but at the same time lost roughly 1,600 jobs. Results were mixed across economic sectors, and the largest positive change in employment occurred in forestry, fishing and related activities (which created 7,116 new jobs), health care (1,837 new jobs), and government (1,755 new jobs). Those sectors losing jobs included manufacturing (4,102 fewer jobs), farming and agriculture (3,656 fewer jobs), management (2,486 fewer jobs), retail trade (2,424 fewer jobs), and construction (2,267 fewer jobs).



More broadly, as the graph above shows, employment declines were in both services related (such as retail trade, finance, insurance, and retail trade) and non-services related sectors (such as farm, mining, and manufacturing). Government, as noted earlier, added roughly about 1,700 jobs, a five percent increase.



Labor earnings also stayed relatively flat, rising by nearly \$231 million, or 2.1 percent, between 2001 and 2009, but declining in real terms during the second half of the decade. By comparison, non-labor income added more than one billion dollars to the Monterey County economy during the same time frame, a nearly 21 percent increase. It now accounts for \$6.3 billion, or 36 percent of total personal income in the county. Non-labor income consists of investment income from dividends, interest and rent, and government transfer payments, a large portion of which is retirement-related from programs like Medicare and Social Security.

ENCOURAGING LOCAL ECONOMIC DEVELOPMENT

Monterey County is pursuing a range of economic development strategies and recently hired the Stanford Research Institute (SRI) to prepare reports on a variety of options for the county. In a presentation to county officials and the public late last year, SRI suggested future economic opportunities in four broad categories: agriculture, research/education, small business, and tourism.¹⁴

Tourism already plays a significant role in Monterey County, employing more than 24,000 in related sectors.¹⁵ SRI estimates that Monterey County attracts eight million visitors annually, who spend roughly \$2 billion in the county. The SRI report also notes that recent recreation and tourism factors are improving but that the county still lags behind other California counties in important indicators such as hotel occupancy rates and revenue per available room.

The SRI presentation concludes that Monterey County, because of its unique natural environments—the near proximity of oceans and coastal environment combined with inland grasslands and chaparral—should strive to attract more visitors and encourage them to stay longer; with the related benefits of increased visitor spending on lodging, food, retail, and other services in the county.



FORT ORD'S MILITARY HISTORY AND RECREATION FUTURE

Fort Ord is located in northern Monterey County.

The city of Monterey is to the southeast with Salinas to the northeast; Monterey Bay lays to the west and Fort Ord then extends from the city of Seaside over to the city of Marina. Fort Ord, which opened in 1917 during World War I, was a training ground for U.S. Army soldiers for more than 75 years, with its busiest service during the Vietnam War.

All told, roughly 1.5 million American servicemen passed through Fort Ord, mostly for infantry training. In 1994,

Fort Ord closed but the Defense Department retains some properties for its use, such as the Defense Language Institute and the Naval Postgraduate School.

In 1997, two plans governing the federal Fort Ord public lands—one for habitat preservation and the other for future-use of other lands—were approved. As part of the habitat plan, the Bureau of Land Management today oversees roughly 7,200 acres of public lands for public use, including 86 trail miles for bikers, hikers, equestrians, and others. An additional 7,500 acres will be transferred to the BLM following completion of ordinance cleanup.¹³ Current BLM-managed Fort Ord public lands are heavily utilized, by both nearby city residents and those from across the region.

This goal mirrors the county's own economic forecast for 2011 which states: "Due to its natural beauty, abundance of parks and recreation areas, and proximity to major employment and residential centers in the Bay Area and Central Coast, Monterey is a Mecca for both domestic and international tourism."¹⁶

If Monterey County pursues increased visitation based on outdoor tourism and recreation, the county has every incentive to protect its quality of life, scenic public lands, and popular recreation areas to help the region compete for people and businesses in the future.

FORT ORD'S MULTIPLE USES AND BENEFITS

Fort Ord lands play a surprisingly diverse number of roles for the region. By protecting and maintaining the open space, trails, scenery, wildlife, clean air, and multiple opportunities for Americans to enjoy the BLM properties, Fort Ord's federal public lands can help promote long-term economic development and growth that extends beyond recreation and tourism.

ECONOMIC IMPACTS

As noted earlier, academic research and studies have shown that nearby open space, parks, and outdoor recreation opportunities increase the value of nearby residential and commercial property. In addition, surveys of business owners have consistently identified quality of life, including environmental amenities such as public land, as a key factor in determining where entrepreneurs choose to locate. Similarly, amenities are well-known to be a key factor in the attraction of retirement wealth.¹⁷

The BLM's 2007 Record of Decision (ROD) for the Resource Management Plan for the Southern District of Diablo Mountain Range and Central Coast of California estimates that Fort Ord lands contribute between \$4 and \$6 million to the local economy.¹⁸

The BLM ROD further notes that Monterey County estimates that of the 75,000 annual visitors expected in 2007 to Fort Ord public lands “about 50 percent are hikers and joggers, 40 percent are mountain bike riders, and 10 percent are equestrians.” Today, the BLM estimates that roughly 100,000 visitors utilize Fort Ord's public lands each year.¹⁹

The ROD further states:

*However, recreation on public lands at Fort Ord is very important to one sector of the local economy and to the many individuals who recreate there. The bike shops in Salinas and Monterey rely quite heavily on mountain biking, and Fort Ord, along with Toro Park (a Monterey County Park), is a primary local mountain biking resource. Several shop owners indicated a very heavy reliance on mountain biking at Fort Ord. In addition to hosting several major national events such as the annual Sea Otter Classic, the area is close enough to several hundred thousand residents that it is a popular after-work biking site. On weekends, the area draws bikers from several hours away.*²⁰

RECREATION AND LOCAL SOCIAL AND PUBLIC HEALTH IMPACTS

The growing use of Fort Ord public lands is not surprising. Monterey County estimates that half of the users of county parks are non-residents,²¹ and the BLM notes that the rapid population growth in central California has placed growing stress on recreational opportunities for public lands.



THE REGION'S STRONG SUPPORT FOR PROTECTING FORT ORD

Unlike many public lands issues across the West, the communities surrounding Fort Ord are in near unanimous agreement about protecting the area's federal public lands. In 2010 the Fort Ord Reuse Authority (FORA) formally adopted a legislative agenda calling for federal protective designation as either a national monument or conservation area.

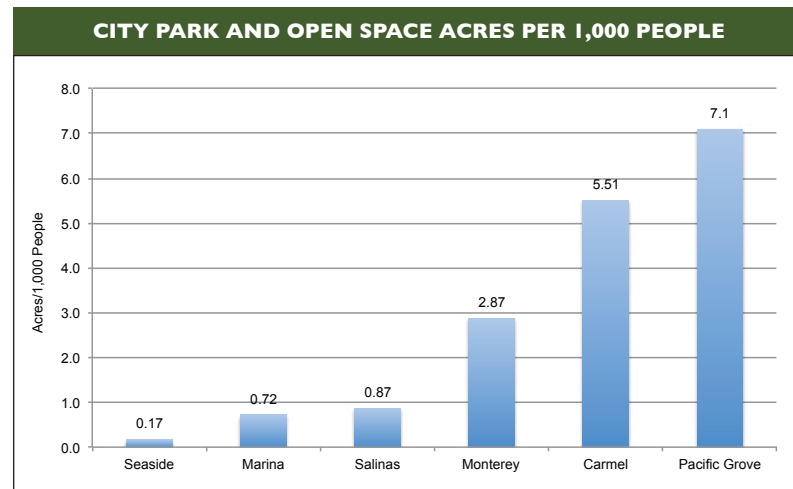
Local groups—representing mountain and road bikers, hikers, equestrians, and others—also are unanimous in their support for including Fort Ord's federal public lands as part of the National Conservation Lands. California's local congressional representatives also support protection.

The growing non-local use of Fort Ord public lands is paired with active use by local residents. As the BLM notes “the area is highly valued by locals because it is nearby, because it offers varied terrain, and because there are very few comparable properties that allow public access in the vicinity.”²²

The importance of Fort Ord public lands as a natural and recreation area also should be considered in light of the original Fort Ord re-use plans to add 12,000 additional housing units and 37,000 new residents to the region. The BLM's 2007 ROD concludes that unless the Fort Ord lands are “carefully planned and managed these [development] changes to the Fort Ord setting will create more demand for public open space recreation opportunities and could potentially lead to more user conflict and resource damage.”²³

Unfortunately, many residents of cities across the United States and California lack adequate access to parks and open space—and several of those in Monterey County are no exception. While the cities of Carmel and Pacific Grove have 5.51 and 7.1 acres of park/open space per 1,000 residents, respectively, the cities closer to Fort Ord—Seaside, Marina, and Salinas—have only 0.17, 0.72 and 0.87 acres of park or open space per 1,000 citizens. Many of the residents of these towns utilize the Fort Ord public lands for recreation and outdoor activities.²⁴

Without the Fort Ord public lands as a place for recreation, many individuals and families are less likely to recreate, enjoy good health, and have ready access to the beauty of natural landscapes.



WILDLIFE AND HABITAT

The 7,200 acres and 86 miles of trail that the BLM manages on Fort Ord’s public lands are a reserve in an urban area. While Fort Ord is surrounded by cities, the federal public lands nonetheless provide habitat for the unique maritime chaparral and grasslands. Within the boundaries of Fort Ord are 35 species of rare plants and animals such as the sandgilia, Contra Costa goldfields, Monterey spineflower, Seaside’s bird’s-beak, Toro Manzanita, Monterey ceanothus, Eastwood’s ericameria, Hooker’s Manzanita, Congdon’s tarplant, and California tiger salamander. Other species such as badgers, mountain lions, and golden eagles also frequent the lands.²⁵

MILITARY HISTORY

Any potential future designation of federal lands in Fort Ord also could highlight the historic importance of the area. Many of the military servicemen who passed through Fort Ord remain alive today, and the fort served as an important training role for 1.5 million Americans during a number of major conflicts.

BENEFITS TO THE ECONOMY AND LOCAL BUSINESSES

In order to better understand how Monterey County currently benefits from Fort Ord federal BLM lands, we interviewed a number of individuals and business owners.

ATTRACTING INCOME

Bob Sevene moved to the region in 2003 and has since “mostly retired” and remained in Monterey County. Bob, who served in the U.S. Army including a distinguished tour during the Vietnam War, first came to the area to help establish the California State University Monterey Bay track team.

In the last decade, non-labor income, from retirees and other sources, has grown ten times as fast as labor earnings in Monterey County, and in 2009 non-labor income amounted to nearly \$6.3 billion, or 36 percent of total personal income.

The campus is adjacent to Fort Ord’s federal public lands and offers a “perfect place” to train the student athletes. Bob and his athletes quickly became active users of Fort Ord public lands.

Bob still coaches some and is working with Blake Russell, a long-distance runner who trains on Fort Ord lands and represented the United States at the Olympics in 2008 and hopes to do so again in 2012.

“The solitude and beauty of the area is beyond comprehension,” Bob notes. “I can see all of Monterey Bay and then turn and see the Salinas Valley. Initially, I was surprised at the number of people who were not aware of the Fort Ord trails, but that is changing drastically.”

IMPROVING RECREATION

Henrietta Stern has lived in Monterey County for nearly thirty years and works as an environmental planner for a local water agency. An avid mountain biker, Henrietta strongly believes in “win-win” scenarios and sees Fort Ord lands as providing environmental protection as well as excellent recreation and economic opportunities. In return, local cyclists give back through many volunteer efforts.



In 2009, travel and tourism related industries in Monterey County amounted to 24,205 jobs, or 24 percent of total private wages and salary.

As an example, she points to the Sea Otter Classic, an annual bicycling festival held in April that relies on Fort Ord lands and is one of the largest in North America, bringing in roughly 10,000 participants and 50,000 spectators over four days.

“There couldn’t be the Sea Otter without the Fort Ord public lands and cooperation by the BLM,” notes Henrietta. “It’s important to value this open space because it’s an economic asset as well as an environmental asset,” she notes. “Tourism is a major component of the Monterey County economy, and recreation on Fort Ord will help attract more visitors and encourage them to stay longer in the region.”

Henrietta says that Fort Ord public lands attract bicyclists and other recreationists year-round from the greater San Francisco Bay area. “We’re all for protecting Fort Ord as it improves our quality of life, and can help increase jobs and economic development through eco-tourism.”

HELPING BUSINESS

Gary Courtright is a kitchen and bath designer who sees the value of the Fort Ord public lands as both the father of five boys and as an economic asset.

“My family leads an active lifestyle and these lands are a great area for cross-country running or mountain biking,” says Gary. “Fort Ord public lands are one of the only nearby places that we can mountain bike without restriction.”

Gary also believes the recreational opportunities at the Fort Ord public lands can help drive economic growth through tourism and increased property values. “We have a wonderful jewel in the Fort Ord lands, and it means we can do so much with eco-tourism if we take advantage of it,” he notes.

From 2001 to 2009 in Monterey County, per capita income rose from \$39,306 to \$42,419 in real terms. Over the same period, real earnings per job increased from \$51,587 to \$55,315.

“Fort Ord’s public lands are, by default, the regional park,” continues Gary. “The new housing developments to be built near the former Fort Ord will demand a premium or increase faster in value if a permanent trail system and recreation area is available from their doorsteps.”



SUMMARY

Fort Ord federal public lands play a variety of important roles for the region, ranging from easily accessible recreation opportunities to protecting unique landscapes and wildlife.

These lands also provide an important foundation for quality of life and economic prosperity for Monterey County. They support a growing travel and tourism sector—which the county has identified as a future priority—while also helping to attract new residents, retirees, and businesses that will further diversify the local economy.

Protecting Fort Ord public lands is a smart decision that capitalizes on the competitive benefits of distinctive public lands in today's modern economy.

FOR MORE INFORMATION

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1 For a summary of recent literature, see: http://headwaterseconomics.org/wphw/wp-content/uploads/Protected_Lands_Economics.pdf.

2 The Active Outdoor Recreation Economy: A \$730 Billion Annual Contribution to the U.S. Economy. 2006. Outdoor Industry Foundation, Boulder, Colorado.

3 Lorah, P. R. Southwick, et al. 2003. Environmental Protection, Population Change, and Economic Development in the Rural Western United States. *Population and Environment* 24(3): 255-272; McGranahan, D. A. 1999. Natural Amenities Drive Rural Population Change. U.S. Department of Agriculture, Economic Research Service, Washington, D.C.

4 Compton, John I. 2000. The Impact of Parks and Open Space on Property Values and the Property Tax Base. National Recreation and Park Association. Pincetl, Stephanie et al. 2003. Toward a Sustainable Los Angeles: A Nature's Services Approach. University of Southern California, Center for Sustainable Cities. A number of additional peer-reviewed reports are cited in the Trust for Public Land's 2003 publication: Parks for People: Why America Needs More City Parks and Open Space.

5 Frey, W.H. 2006. America's Regional Demographics in the '00 Decade: The Role of Seniors, Boomers and New Minorities. The Brookings Institution, Washington, D.C.

6 Rasker, R. 2006. An Exploration into the Economic Impact of Industrial Development versus Conservation on Western Public Lands. *Society & Natural Resources* 19(3): 191-207.

7 For full citation and additional information, see: <http://headwaterseconomics.org/land/reports/national-monuments/>.

8 Demographic and economic data on Doña Ana County here and below from: U.S. Department of Commerce. 2010. Census Bureau, Population Division, Washington, D.C.; U.S. Department of Commerce. 2011. Bureau of Economic Analysis, Regional Economic Information System, Washington, D.C.; U.S. Department of Commerce. 2011. Census Bureau, County Business Patterns, Washington, D.C.

9 These acres include some of the following: National Parks and Preserves, Wilderness, National Conservation Areas, National Monuments, National Recreation Areas, National Wild and Scenic Rivers, Waterfowl Production Areas, Wildlife Management Areas, Research Natural Areas, Areas of Critical Environmental Concern, and National Wildlife Refuges.

10 Monterey County. 2009. Comprehensive Economic Development Strategy 2009.

11 Monterey County. 2011. 2011 Monterey Economic Forecast. Authored by Beacon Economics, LLC.

12 Ibid.

13 Personal communication with Sky Painter Murphy, Planning and Environmental Coordinator, Bureau of Land Management, Hollister Field Office. December 23, 2011.

14 The information for this paragraph and the following is from a presentation made by the Stanford Research Institute to the Monterey County Economic Development Committee on December 12, 2011.

15 U.S. Department of Commerce. 2011. Census Bureau, County Business Patterns, Washington, D.C. Travel and tourism is defined as consisting of sectors that provide goods and services to visitors to the local economy, as well as to the local population. These industries are: retail trade; passenger transportation; arts, entertainment, and recreation; and accommodation and food.

16 2011 Monterey Economic Forecast.

17 McGranahan, 1999. Haas, W. H., W. J. Serow, et al. 2002. The Baby Boom, Amenity Retirement Migration, and Retirement Communities: Will the Golden Age of Retirement Continue? *Research on Aging* 24(1): 150-164.

18 Bureau of Land Management. 2007. Record of Decision. Resource Management Plan for the Southern District of Diablo Mountain Range and Central Coast of California.

19 Personal communication with Sky Painter Murphy. December 23, 2011.

20 BLM. 2007. Record of Decision.

21 Monterey County. 2011 Monterey County Economic Forecast.

22 BLM. 2007. Record of Decision.

23 Ibid.

24 City of Seaside Task Force Report, July 2010.

25 BLM. 2007. Record of Decision.