

## WESTERN COLORADO: CHOICES FOR GROWTH

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It should be apparent at this time that there are mixed feelings about the development of an oil shale industry in western Colorado. There are those who fear that this oil shale boom will fade away like the rest, and there are those who are afraid that it won't.

To put the issue into perspective, I would like to cite a few numbers that you may have heard. Hopefully, these figures will describe the magnitude of the problem.

The area most affected by oil shale development consists of Garfield, Mesa and Rio Blanco Counties. I consider this to be the oil shale region, however Moffat County joins these three to make up Planning and Management Region 11 for state administrative purposes. The three counties are about 9,500 square miles in area and have a population estimated to be 82,000 persons in 1974. Mesa County is the most populous and contains the largest city—Grand Junction. Rio Blanco County is the least populated county with 4,888 residents estimated in 1972.

Growth is occurring in the region now. Grand Junction as a regional center is growing on its own impetus. Glenwood Springs and Carbondale, at the other end of the Colorado River Valley, have felt the impact of the Aspen boom. The growth of Pitkin County adjacent to our region is not fueled by shale oil. The other towns along the Colorado River have grown to lesser extents.

Because of the attractiveness of western Colorado as a place to live, this normal growth will continue. The Denver Research Institute has estimated that even without oil shale development there will be another 70,000 persons in the three-county area by 1988, roughly 14 years.

A healthy, new oil shale industry will add to this growth. Depending on the level of success, an oil shale industry could account for an additional 60,000 to 160,000 persons in this same period. These figures include not only oil shale workers but also all of the service and support personnel that are a part of growing communities. Translated into total population, the three-county area—now at 82,000 persons—could be 150,000 persons

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after 15 years of normal growth or over 300,000 persons after 15 years of successful industrial operation.

The prospect of this kind of growth is both exciting and frightening. With the recent Arab oil embargo and the successful leasing of both the Colorado and Wyoming lease sites, it is becoming more and more likely that these growth figures might be reached. The citizens of the region are only now becoming aware of what might occur under these conditions.

A year ago, an extensive attitudinal survey was undertaken in the region to determine how residents viewed their present lifestyle and how they might react to growth. The results were interesting, and, in part, predictable.

The majority of area residents liked the present tempo of life, the casual atmosphere and the general friendliness of the people. There is currently ample leisure time, and for most of the population, satisfactory ways to spend it. In some of the smaller communities, there were mild complaints about lack of shopping facilities and entertainment. However, overall, there was an appreciation for the lack of congestion, the climate, and the beauty of the region.

The greatest fears voiced involved the potential negative effects of rapid growth. Some growth was deemed desirable; however, this "desirable" growth was pegged at from 35 to 90 percent. This type of growth would not substantially alter existing lifestyles. Residents were not aware of the magnitude of growth of a highly successful oil shale industry. Some growth, it was maintained, might improve the economy of the region if it were the right type of growth and if it could be adequately controlled.

It was feared that rapid and substantial growth would have a negative impact on existing services. Of utmost concern was the impact on water, housing, and schools. It became obvious from the interviews that maximum potential oil shale growth would be viewed with alarm.

However, the choice in western Colorado apparently does not lie between growth and no growth, but rather between "normal growth" (if we can use that term to define growth without oil shale development), rapid growth, and explosive growth. The circumstances causing this growth are largely beyond the control of the people of the area and their local units of governments.

Apart from the concerns of the area residents, let us review what some of the positive and negative aspects of that growth are likely to be.

First, on the positive side:

New industrial activity will no doubt bring additional income to the area which will be translated into an increased demand for goods and services. This demand will enlarge the market potential for the existing

merchants and service firms. Astute local businesses should continue to prosper and new businesses will no doubt develop.

The addition of a new industry will further diversify the regional economy. New and different types of jobs will be available to the present and future populations. As the region grows, the presence of an oil shale industry and a growing work force may attract other activities to western Colorado which have nothing to do with energy production. This further diversification of the industrial base, brought about by the oil shale industry but not entirely dependent upon it, would be a healthy trend away from dependence upon a single industry.

Growth will bring new people and new ideas to the area. While in some circles this might not be welcome, the citizens of the area seem to prefer some change to the status quo. New people might bring with them different ideas for solving local problems. There will undoubtedly be a larger market for cultural activities. A larger population may also mean a stronger voice in the state legislature. The broadening of human resources could have a beneficial impact on the region.

Oil shale development has already and will continue to focus state and national attention on the oil shale region. Approaches to solving local problems are more likely to be developed as a result of the impetus of growth. As an example, Colorado water resources might be further developed for the use of western Colorado. Other problems are more likely to be addressed if they are spotlighted by the turn of events than if they remain in the background.

On the negative side:

The most serious negative aspect of growth is the demand for expanded services beyond the capability of local units of government to provide them. For the smaller communities impacted by growth, this means tremendous start-up costs as they attempt to provide necessary facilities. These facilities, if provided in a timely manner, could play havoc with already tight budgets.

Housing will be in great demand in any growth situation. It is not now apparent that there is a housing industry capable of meeting projected housing needs. This will mean continued high housing values and probably some housing inconvenience.

There will be social change in the area. These changes can be viewed as desirable or undesirable, depending upon the views of the person making the judgment. Present majority opinions may become minority opinions with the influx of new people. The region will be hard put to evolve a new philosophy and lifestyle that consists of the best parts of the old and the new.

Yet to be determined are impacts on the environment of the region and natural resources—notably water. Whatever the impacts, they will probably not constitute improvements.

Assuming growth occurs on the order of magnitude already described, what are some of the requirements to accommodate it?

First, I would like to discuss the land area requirements for housing and expanded population. The cities and towns of Garfield, Mesa, and Rio Blanco Counties now occupy about 14 square miles of land area in a total three-county area of over 9,500 square miles. This represents about one tenth of one percent of the total area of the three counties—a relatively insignificant amount.

To accommodate the expected levels of growth in the next 15 years, the following amount of additional land area would need to be urbanized:

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| ● For “normal growth” (70,000 persons)                     | 9 square miles  |
| ● For moderate oil shale development<br>(131,000 persons)  | 15 square miles |
| ● For intensive oil shale development<br>(231,000 persons) | 26 square miles |

Any of these figures need to be added to the present 14 square miles. Even the largest possible figure for urbanized area—40 square miles—is not too frightening when you consider the wide-open spaces of the three-county area.

All of that land area is not available however. Within the region are several national forests. These are, of course, unavailable for development. Much of the region consists of terrain too rugged for easy urbanization. These areas too should be excluded. What is left is the level plains of the Colorado and White River valleys and a few suitable mesas. This narrows the available land considerably. The problem is further complicated by the fact that this developable land also is some of the best agricultural land of the region. Here we have a significant competing use for the developable land.

Secondly, after the land area requirements are met, what will be the cost of this growth?

We have estimated that for every 1,000 persons added to a community there will be required an expenditure of \$3 million to provide them with the necessary capital plant. This includes schools, parks, libraries, hospitals, fire and police protection, governmental buildings, water systems and sewer systems. If the community also assumes total responsibility for providing all streets, this figure will be increased by an additional \$1 million.

These figures represent only the capital expenditures. Once the facilities are built, they will need to be staffed and maintained. The annual operating costs necessary to service the same 1,000 increment in population will amount to \$400,000 to \$500,000 *annually*. This money will go for salaries for about 41 new government employees that it will take to service the needs of the new population plus costs for equipment, space, and supplies for these people.

To be sure, there will also be revenues from these new area residents. Those who buy homes or businesses will contribute through ad valorem taxes. There may be sales taxes or other taxes to produce additional revenue. This additional 1,000 persons can be assumed to produce about \$430,000 in tax revenues. With some manipulation in the tax rate, or a greater than average increase in industrial or commercial tax base, it appears that operating costs can be covered with taxes.

This does not include consideration of tax revenues and royalties from an oil shale industry. Some lucky jurisdictions will have these industry bonuses added to their normal tax revenues, and might therefore show a very favorable balance.

It appears then that the major problem will be in taking care of the capital improvements that will be necessary to support this new population. Under conditions of normal growth, this will take \$210 million over the next 15 years. With intensive oil shale development, this figure could increase to \$690 million.

And, thirdly, after land area and costs, what will be the likely patterns of growth in the three-county area?

The uncertainties of oil shale development and land-use legislation at the national and state levels make it difficult to project population growth with any degree of accuracy for specific areas within the three-county region. However, it is possible to speculate on development patterns that might occur under certain circumstances.

Assuming *normal* economic trends, i.e., no oil shale production, the towns along the Colorado River Valley can be expected to bear the brunt of the approximately 70,000-person increase in population projected for the next 15 years. Grand Junction, as the transportation and economic hub of the region, will receive a major share of that growth. Rifle, Glenwood Springs, and Meeker, all at the intersection of major routes, will be second in rate of growth. Rangely, Fruita, Palisade, Collbran, DeBeque Grand Valley, Silt and Newcastle will share in the growth to a lesser extent.

With oil shale development, plant location will have a direct influence on community growth. If there are *moderately* successful oil shale

industries in Parachute Creek and lower Piceance Creek, then the major focus of growth will shift from the Grand Junction area to eastern Garfield County. Rifle will feel the major impact and Meeker to a lesser extent. New population, seeking urban amenities as close as possible to work, will look first to the existing towns—from Grand Valley to Glenwood Springs. It should be noted that this oil shale growth will be in addition to the normal growth already described .

If *intensive* oil shale development takes place in the Piceance Basin and on the Utah sites, then the distribution of new growth will again change. Under this new condition, Meeker and Rangely would feel more of the impact of growth. The Rifle area would still be important as a growth center, but Glenwood Springs and Grand Junction would be relatively less important because of the location of the oil shale plants. They would still receive growth however.

Three general physical patterns are possible for the region. The policies and the growth philosophies of the governing bodies will determine which pattern new growth will take. Broadly described, the three possibilities are (1) *laissez-faire* (little or no control of growth), (2) controlled expansion of existing communities, or (3) development of new communities.

In the first of these, development would take the path of least resistance, seeking out flat land and available water. The Colorado River Valley on both sides of Interstate 70 would see scattered urban growth. Secondly, the White River Valley between Meeker and Rangely would experience scattered growth on available land. The communities too would grow, probably in a linear fashion along their transportation routes. Much of the growth would take place in unincorporated areas, leaving the development areas to seek services through special districts.

This type of growth is a distinct possibility. It takes the least amount of forethought and requires a minimum of land-use controls. There is even some sympathy for this approach, since potentially, the largest number of landowners might reap the benefits of urban development on their land.

Administratively, this pattern would be a nightmare. The short-run advantages would give way to long-term grief as county commissioners and school districts tried to provide efficient services to developments which were urban in nature but too scattered to make a recognizable community. Fortunately, these problems are beginning to be recognized by leaders in the area.

Another development pattern would see the contiguous, controlled growth of the existing communities. The medium-size communities al-

ready have the beginnings of urban service systems and existing governmental organization. The existing community could serve as the nucleus for a greatly expanded urban center. This pattern is certainly preferable to the urban sprawl that could come about with no philosophy or control for growth.

It would also cause some problems. Substantial new growth will come to many of the existing towns. Existing systems and organizations would not be able to handle this growth without substantial change and expense. The town may not be willing or able to effect these changes. There is also a risk that substantial new growth would change the lifestyle of the community. Considerable cooperation between communities and between counties and communities will be necessary to bring about such a pattern.

The acceptance of a degree of control, however, has long-run advantages. New services, while always costly, will be less costly to provide in compact communities than in scattered areas. Also when the oil shale boom is over or has stabilized, there will be recognizable social and governmental benefits in community identity as opposed to scattered urbanization. The compact growth of existing towns should take less land out of agricultural use at a time when the world and the nation are sensing a renewed importance in agricultural lands.

A third possible development pattern is suggested by the very magnitude of the numbers of people that might be possible under intensive oil shale development. If the existing communities are to be expected to absorb all of the new growth, several of these communities will swell to many times their present size. This raises the question of the possibility of new towns to help absorb some of this growth.

A true new town is a complex, and expensive undertaking. It requires a sponsor and considerable time and effort before it is ready for its first inhabitant. No unit of government in the three-county area has dealt with the new town problem, yet they will need to be involved in the site selection process and the eventual delivery of services to any new townsite.

In spite of the difficulties, at least one new town is being considered. Colony Development Operation in Parachute Creek has made preliminary presentations to the commissioners of Garfield County regarding a new townsite on the mesas south of the existing community of Grand Valley. This site would conveniently service plant operations in Parachute Creek and is also within driving distance of Roan Creek and federal lease site C-b. Another new community in the northern part of the oil shale region would be helpful if the Piceance Creek area becomes the focal point for intensive oil shale operations.

The controlled growth of existing communities plus the development of one or two new townsites is probably the right choice of a development pattern for the region. This would maintain a reasonable distribution of population in the region and ensure that all existing communities would share in growth. The new towns could be planned to come on stream to ease growth pressures in the 2- to 5-year future.

Substantial growth is coming to western Colorado at a time when there are still no clear-cut growth policies at either the national or state level, although considerable interest has been shown in the subject by both congress and the state legislature. In the immediate future, however, the oil shale region will need to make its own decisions while keeping attuned to state and national policies.

Are local governments ready for the possible impacts? An honest answer is probably no; however, in the same breath it should also be added that there is an increasing awareness of the potential problems and a beginning of efforts to find solutions. One of the major problems is, of course, money. Money to pay for the required capital facilities and money to plan for them before they become necessary. Appeals have been made to both the state and federal governments for help in this regard. The question now is how soon and in what form will the help arrive.

At present, the three-county area is sparsely populated. There is time and room to make some deliberate choices about growth. The handling of the first major influx of people into the region will set the pattern for those which follow. The challenge to the existing communities is not to be overwhelmed by growth—to accommodate growth and still maintain some semblance of the lifestyle which makes the region an attractive place to live.