

# Job Creation & Sales Tax Projection Model

Project: Expansion of Mountain Biking in the Steamboat Springs Area.

Developed for: Robert Vanderbeek / Leadership Steamboat

## User Inputs:

Gross Spending Per Day **\$ 73**

Average Summer Visitor Daily Spending  
Reflected on a % Basis

Lodging	37%
Food	33%
Retail	13%
Other	17%
	100%

(Source = Steamboat Springs Chamber Resort Association  
Summer Market Research)

### Family & Friend Factor

Since some visitors will be staying with Family/Friends, it is necessary to make an adjustment to reflect reduced spending in the areas of lodging and dining

Lodging	13%
Food	5%

### Wage/Salary as a % of Revenue

Lodging	18.5%
Food/Drink	24.3%
Retail	8.2%
Other	18.2%

Ratios provided by Bizstats

### Annual Wage for Selected Industry Sectors

Lodging	\$ 19,265
Food Services	\$ 19,265
Retail Trade	\$ 26,121
Arts/Entertainment	\$ 23,421

Average for All Industries **\$ 38,449**

Colorado Department of Labor and Employment

Income Needed for Self-Sufficiency Single Adult **\$ 10.75**

Colorado Fiscal Policy Institute

### Sales & Lodging Tax Collection Rates

Lodging	5.0%
Food Services	4.0%
Retail Trade	4.0%
Arts/Entertainment	0.0%

Induced Activity as result of Wages Income from Direct Activity Factor **12.8%**

Colorado Fiscal Policy Institute

Project: Expansion of Mountain Biking in the Steamboat Springs Area

**Projection of increased Mountain Bike Riding as a Result of Expanded Opportunities**

Riders Per		Riders Per		Riders Per		Riders Per		Riders Per	
May	Day	Jun	Day	Jul	Day	Aug	Day	Sep	Day
1	0	1	250	1	400	1	500	1	300
2	0	2	250	2	500	2	500	2	300
3	0	3	250	3	500	3	500	3	300
4	0	4	250	4	500	4	500	4	300
5	0	5	250	5	500	5	500	5	300
6	0	6	250	6	500	6	500	6	300
7	0	7	250	7	500	7	500	7	300
8	0	8	250	8	500	8	500	8	300
9	0	9	250	9	500	9	500	9	300
10	0	10	250	10	500	10	500	10	300
11	0	11	250	11	500	11	500	11	300
12	0	12	250	12	500	12	500	12	300
13	0	13	250	13	500	13	500	13	300
14	0	14	250	14	500	14	500	14	300
15	0	15	250	15	500	15	500	15	300
16	0	16	250	16	500	16	300	16	200
17	0	17	250	17	500	17	300	17	200
18	0	18	250	18	500	18	300	18	200
19	0	19	250	19	500	19	300	19	200
20	0	20	250	20	500	20	300	20	200
21	100	21	250	21	500	21	300	21	200
22	100	22	250	22	500	22	300	22	200
23	100	23	250	23	500	23	300	23	200
24	100	24	250	24	500	24	300	24	200
25	100	25	250	25	500	25	300	25	200
26	100	26	250	26	500	26	300	26	200
27	100	27	250	27	500	27	300	27	200
28	100	28	250	28	500	28	300	28	200
29	100	29	250	29	500	29	300	29	200
30	100	30	250	30	500	30	300	30	200
31	100			31	500	31	300	31	200
<b>TOTAL</b>	<b>1,100</b>	<b>TOTAL</b>	<b>7,500</b>	<b>TOTAL</b>	<b>15,400</b>	<b>TOTAL</b>	<b>12,300</b>	<b>TOTAL</b>	<b>7,700</b>

**Estimated increase in  
the number of riders      44,000**

Project: **Expansion of Mountain Biking in the Steamboat Springs Area**

## Calculation of Jobs and Sales Tax Impact

Projected number of "Riders"		44,000
Expanded Daily Spending	\$	73.00
Estimated Total Spending	\$	3,212,000

	Daily Spending Allocation	Sub-Total	Family/Friend Reduction Factor	Value of Family/Friend Factor	Projected Actual Spending
Lodging	37%	\$ 1,188,440	13%	\$ 148,555	\$ 1,039,885
Food	33%	\$ 1,059,960	5%	\$ 52,998	\$ 1,006,962
Retail	13%	\$ 417,560	0%	\$ -	\$ 417,560
A&E	17%	\$ 546,040	0%	\$ -	\$ 546,040
	100%	\$ 3,212,000		\$ 201,553	\$ 3,010,447

### Wage/Salary Generated by Industry Sector

Lodging	18.5%
Food Services	24.3%
Retail Trade	8.2%
Arts/Entertainment	18.2%

### Personal Earnings Extension

Lodging	\$	19,265
Food Services	\$	19,265
Retail Trade	\$	26,121
Arts/Entertainment	\$	23,421

### Projected Number of Jobs Created & Earnings

	Earnings	Jobs Created
Lodging	\$ 192,379	10.0
Food Services	\$ 244,692	12.7
Retail Trade	\$ 34,240	1.3
Arts/Entertainment	\$ 99,379	4.2
	\$ 570,690	28.2

Estimated Number of FTE Jobs Created **28.2**

Aggregate Hourly Wage Per/Job base on 2,080 hours

Average Annual Wage Routt County \$38,449

Hourly Equilivant of All jobs in Routt County \$18.49

Income Needed for Self-Sufficiency Single Adult \$ 10.75

	Hourly Wage	% Below Mid-Point	Self-Sufficiency Wage
Lodging	\$ 9.26	-49.9%	-13.8%
Food Services	\$ 9.26	-49.9%	-13.8%
Retail Trade	\$ 12.56	-32.1%	16.8%
Arts/Entertainment	\$ 11.26	-39.1%	4.7%

Induced Economic Impact based on Job Creation

Local Spending Factor excluding housing 13%

\$ 73,048

City Sales Tax Generation

Direct Impact

	Sales Tax Rate	Estimated Sales Tax
Lodging	5%	\$ 59,422
Food Services	4%	\$ 42,398
Retail Trade	4%	\$ 16,702
Arts/Entertainment	0%	\$ -
<b>TOTAL</b>		<b>\$ 118,523</b>

Induced Impact as a result of increased employment \$ 2,922

**Estimated City Sales Tax Gain \$ 121,445**

## Summary of Projected Impacts

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The increased visitors will result in **28.2 jobs** (Calculated on an FTE Basis)

Average rate of pay for jobs created **\$ 9.72** per/hr.

Increase in City Sales Tax receipts **\$ 121,445**