

The Economic Impact of Pathfinder Event Center

Henry Williams

REDI Report – September 2024

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- Pathfinder Event Center provides economic benefits to Fremont County, CO.
- Using input-output modeling and analysis-by-parts, we estimate the economic impact of Pathfinder in 2023 across four metrics to be:
 - Total Output: \$711,591
 - Value Added: \$212,025
 - Labor Income: \$114,829
 - Jobs: 3.9
- By output, the impact of Pathfinder was 3.2 times greater than its budget.

Using input-output (I-O) modeling, Colorado State University (CSU) Extension recently developed an economic impact analysis for Pathfinder Event Center, estimating its economic impact in Fremont County. This REDI report summarizes those findings¹. Our approach was designed and documented with the aim of facilitating similar studies for other entities.

Opened in 2022, Pathfinder Event Center is an event venue located in Florence, CO. It serves Fremont County as well as the surrounding area. The venue features an outdoor arena, covered arena, auditorium, commercial kitchen, small pavilion, meeting room, and classroom. Common events held at the Center include weddings, rodeos, 4-H events, Colorado Outdoorsmen Days, craft fairs and funerals.

The features offered by Pathfinder attract visitors from within as well as from outside Fremont County. As a form I-O modeling, this analysis by parts (ABP) study estimates the economic impact in Fremont County of *external* visitors to Pathfinder. External visitors are defined as people visiting Pathfinder who reside outside of Fremont County. The economic impact of Pathfinder occurs through two channels; i) from revenue earned by the Center and ii) from other expenditure by external visitors within Fremont. In terms of *composition*, the total economic impact *consists of*:

- **Direct impact:** The impact directly attributable to external visitor expenditure and revenue.
- **Indirect impact:** The impact of extra input purchases by all sectors, resulting from direct impact.
- **Induced impact:** The impact of additional household spending, resulting from additional income.

In terms of *metrics*, we estimate impact for four categories:

- **Total Output:** The total sales revenue or value, aggregating across all sectors
- **Value Added:** The sum of labor income, taxes, and ownership income (ex. profit, rent, interest)
- **Labor Income:** All employment income, including wages, salary, benefits, and proprietor income.
- **Employment:** The annual average of monthly jobs, including both part- and full-time jobs.

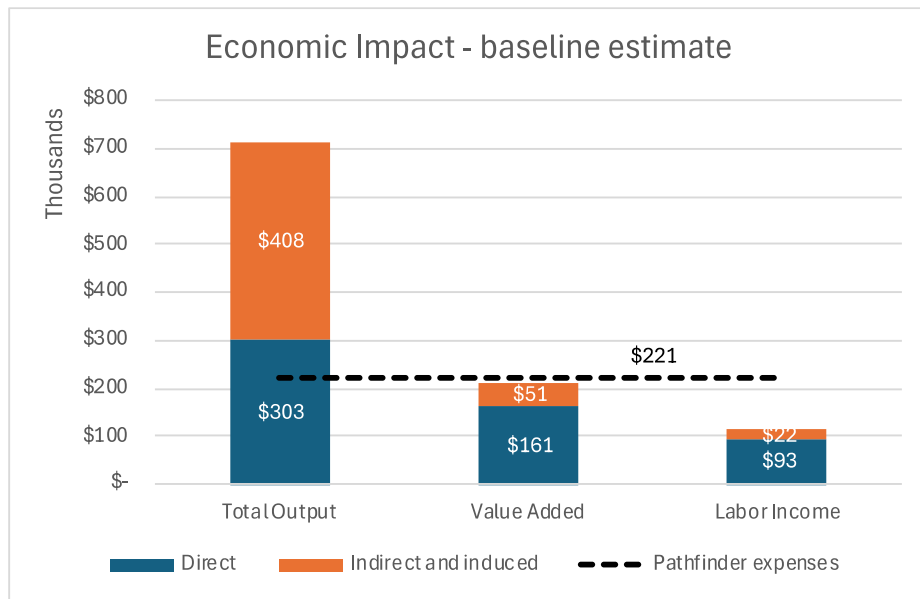
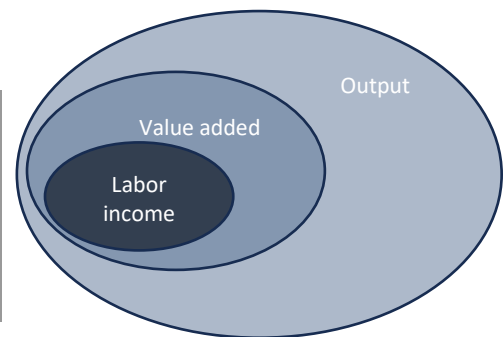
¹ The full report, “Economic Impact of Pathfinder Event Center”, is available upon request from CSU Extension, and includes additional details about methodology as well as secondary findings.

The table and figure below summarize our findings. On the one hand, the ratios of total output and value added, to total Fremont County GDP for 2023 are 0.04% and 0.01%, respectively. On the other hand, ratios of total output and value added to total Pathfinder *expenses* in 2023 are 3.22 and 0.96. In other words, the economic impact of the Pathfinder Event Center measured by total output *significantly exceeds its total expenses*, \$221 thousand, while the impact from value added nearly covers expenses.

For value added, this means that the additional GDP generated by Pathfinder nearly covers Pathfinder expenses. For total output, this means that the total sales activity (summing across all sectors) generated by Pathfinder exceeds Pathfinder expenses. For total output, this holds for a range estimates, baseline, low-, and high-range ([see full report](#)). Value added only exceeds the deficit in the high-range estimate.

We also performed a “what-if” analysis. If we assume Pathfinder Event Center *eliminates fee-for-use*, thereby generating an increase in visitors, then we find an *increase* in economic activity across all four metrics ([see full report](#)). At first this might seem counterintuitive: *eliminating* fees charged *increases* economic activity. However, the bulk of economic activity attributable to Pathfinder is not due to the revenue directly generated by the Center. Rather, most economic activity is associated with the additional expenditure from external visitors that Pathfinder draws into Fremont County. Likewise, raising fees is associated with lower economic activity, due to fewer visitors and lower associated expenditure.

Metric	Estimate \$	% Fremont GDP	% of Pathfinder expenses
Total output	\$711,591	0.04%	322%
Value added	\$212,025	0.01%	96%
Labor income	\$114,829		52%
Jobs	3.9		



References

Williams, H, Hill, R, and Wilkins, W. 2024. Economic Impact of Pathfinder Event Center. Colorado State University Extension.