

Public Comment

Colorado Water Conservation Board

Glenwood Springs Meeting; September 11, 2014

Dennis Saffell; Owner, Coldwell Banker Mountain Properties; Winter Park, Colorado

Thank you for the opportunity to present to you today on behalf of healthy rivers and our Western Slope economy. I have been a realtor for over 25 years and own Coldwell Banker Mountain Properties, based in Winter Park. Like hundreds of towns and thousands of businesses large and small, my business depends on water and healthy rivers. My clients want to buy properties in the mountains that have river access and river views. I see this every day in working with clients coming from the Front Range and out of state that want properties with these assets. Without flowing rivers and river recreation I would see a decline in my business and we would see a decline in property values across the western half of the state.

I was fortunate to be a part of the Protect the Flows study that took a look at the economic connections between healthy rivers and real estate values. They surveyed real estate experts in Pitkin and Grand counties, Colorado; Sedona, Arizona; and Farmington, New Mexico—all towns located near the Colorado River or major tributaries—and forecast that riverfront properties would drop in value an average of 9.5 percent if river flows decline as predicted in the Bureau of Reclamation's Colorado River Basin Water Supply and Demand Study. The research was conducted by Southwick Associates, a national firm that surveys outdoor recreation and economics.

In Grand County, Colorado, homes that offer a river view are 24 percent higher in value than homes without a view, and homes located on the banks of a river are 134 percent higher in value than homes that do not offer either frontage or a view in the same general location. Additionally, expert consensus was that, at best, prices for riverfront properties in Grand County would stay the same but most likely would decrease by 16 percent based on the reduced river flows forecasted in the Colorado River Basin Study. Using a hypothetical riverfront home with a current sales price of \$574,000, the projected decrease would be \$92,000. In my opinion, these numbers are actually low. It's really pure economics for us. Factoring in all the indirect benefits from Colorado's rivers means the true economic value is likely much greater. I see the rivers in Grand County as having a major economic impact on real estate, tourism, and overall quality of life. Water drives real estate values more than any other aspect in Grand County. Loss of flow *will* decrease values for every property.

In my opinion, reduced real estate prices are just the tip of the iceberg in terms of negative economic impacts from reducing river flows. Protect the Flows has also done a study with Southwick Associates demonstrating that businesses and communities benefit directly from income and monies generated from water. We heard the number 80,000 jobs supported and \$9 billion generated every year from river-related recreation. That much is obvious. But, rivers and the quality of life they create are the reason these mountain towns survive and grow. If you think about it, Steamboat, Glenwood Springs, Breckenridge, Winter Park, all the big resorts are located by rivers and it's the rivers that provide the attractions year round that drive our economics. From main street retail to real estate to companies the size of Vail Resorts and the Steadman Clinic, Western Slope businesses and their clients are drawn to and driven by healthy rivers and water.

I live these realities every day and know them to be true, but now we have the proof with these studies. Going forward, as you craft the state's water plan, please consider that although most of the Basin

Roundtables recognize the economic value of healthy rivers, few have actually quantified those benefits – or included specific language to protect environmental and economic stream flows. Since each basin’s recommendations lay the foundation for the statewide plan, it’s essential that all of them include concrete standards. This plan must include these statewide standards if we are to have a healthy water future. .

And, finally, we must face one more challenge: Colorado’s water laws. Most were written in the late 1800s and, though a few modifications have occurred over the years, this body of law reinforces a “use it or lose it” mentality, making it difficult to implement conservation innovations, technologies, and strategies. Thanks to these laws, farmers and cities have a legal right to keep using more water. Think of it this way, if we had the same traffic laws as we did 150 years ago when the water laws were written, our streets would be utter chaos. Most laws change to accommodate new realities, but for some reason our water laws are untouchable.

Our state water plan needs to lead us away from the mistaken notion that any water left in the river is wasted water because it’s not being put to beneficial use. Colorado is blessed with ample and beautiful natural resources. Smart use of water and balanced water management will enhance both our quality of life and economic future – on both sides of the divide.

Thank you for your time and for letting me present to you today.