

# The Changing Face of the Rural West

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## Shifting Populations in the New West

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The western states of Montana, Wyoming, Colorado, Arizona, Idaho, Utah, Nevada, New Mexico, California, Washington, and Oregon led the nation in population growth between 1990 and 2000, both in percentages and numerical increases. Although vast areas of the West are sparsely populated, the West is considered the most "urbanized" region of the country because the highest proportion of its population lives in metropolitan areas (defined by the U.S. Census Bureau as having populations greater than 100,000<sup>1</sup>). In this paper the term "urban" will be used interchangeably with the more technical term "metropolitan," and the term "rural" will be used interchangeably with "non-metropolitan."

This paper summarizes population change in rural western counties between 1990 and 2000. It examines those western counties that transitioned from rural to urban status (from populations less than 100,000 to populations greater than 100,000) during the past decade. Discussion focuses on some of the policy implications of population change, especially those related to in-migration to high amenity rural areas, and out-migration from other rural areas. The paper also examines age distribution in rural western counties, as this has tremendous implications in terms of education, health, social services and infrastructure needs.

### Summary of Demographic Change, 1970-2000

Research on western demographic change has been somewhat limited, despite that fact that the Western region is one of the fastest growing in the country. Since 1970, the rural West has been more volatile demographically than rural areas in other regions. The rural renaissance started earlier in the West, and by the

early 1990s the rural West was growing at three times the rate of rural areas nationally.

In 1999 a series of papers published in *Rural Development Perspectives*, a journal of the USDA Economic Research Service (ERS), summarized 30 years of research on western demographic change. These papers focused on the reasons for, and the implications of, western in-migration. In one of these papers, Idaho geographer Gundars Rudzitis summarized his research on western demographic change. Rudzitis noted that policymakers were puzzled by the preference for rural areas because it contradicted a common assumption that people move to maximize their incomes, not their lifestyles. Research he conducted in 1989 showed that the majority of people who migrated to rural western high amenity counties were not retirees but were young, highly educated professionals. However, only about 30% of those working-age people cited employment as a pull factor. Instead they stressed the importance of non-economic factors in their decision to move to rural areas. Rudzitis' conclusion was that either migrants' real adjusted incomes were the same in their new locations, or the declines in income were offset by quality of life considerations. His follow-up survey in 1995, conducted in Idaho and parts of Oregon, Montana, Wyoming, Utah and Nevada, found that the major pull factors to rural areas were amenity characteristics such as scenery, outdoor recreation opportunities, climate, and the presence of federal land.

In another paper in the series, Alexander Vias summarized his research showing that in the 1990s several rural Rocky Mountain areas (which included counties in Arizona, Colorado, Idaho, New Mexico, Montana, Nevada, Utah and Wyoming) began to grow at faster rates than other rural areas. This study suggested that major changes in

U.S. economic, social, and demographic structure had modified the forces that drive population and employment change. The larger retiree population, and the increasing importance of non-employment income, has created migrants who move for reasons other than work. Vias found that population growth (including in-migration) appeared to drive service industry job creation in areas with scenic and recreational opportunities. All of these factors, when combined with unique natural and scenic resources in the Rocky Mountain West, were found to be capable of stimulating stable long-term growth.

A third paper written by Cromartie and Wardwell indicated that in the 1990s people were moving to remote western areas far from urban areas. This pattern did not correlate with upturns in natural resource-dependent industries such as mining and farming. In fact, many farming and mining communities were making transitions to the "New West" economy of tourism, recreation, and retirement destinations. As recreation, retirement and second home destinations in well-known high amenity areas became increasingly unaffordable, the highest net migration in the mid-1990s was to "second highest amenity" places in the region's interior, especially near the northern Rocky Mountains.

A separate ERS study examining the relationship between natural resource amenities and rural population change on a national scale found that population growth in rural counties is strongly correlated to the presence of favorable natural amenities—much more than to other locational measures, such as proximity to urban areas. The natural amenities that draw migrants are a combination of mild climate, varied topography, and proximity to surface water (McGranahan, 1999).

#### State-Level Change, 1990-2000

Figure 1 shows that California, Arizona, Washington and Colorado were among the top ten states in the nation in numerical population increase between 1990 and 2000. California experienced the greatest increase of any state in the nation, adding more than 4 million people. Wyoming ranked near the bottom of the 50 states over the ten year period, gaining only 40,194 people.

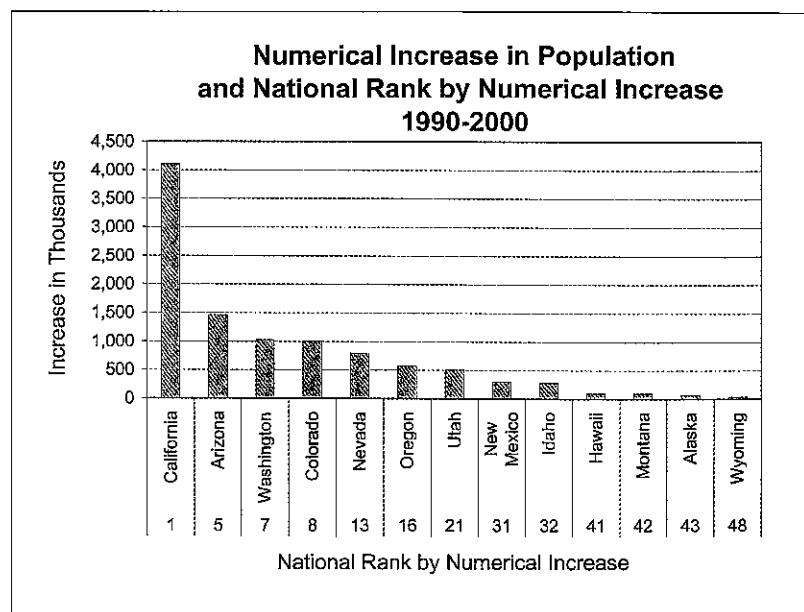


Figure 1. Numerical increase in population and national rank by numerical increase, 1990-2000. Source: U.S. Bureau of Census, 2000.

In terms of percentage increases in population, the data are even more telling. Figure 2 shows that 11 of the 20 fastest growing states in the nation were located in the West. Nevada led the nation with a 66% increase. Arizona's population grew by 40%, and Colorado and Utah grew by 31% and 30%, respectively, over the ten year period. While population increases have been consistent for the last several decades in urban parts of the West (the West Coast, the Phoenix metropolitan area of Arizona, and the Front Range of Colorado), many rural counties also experienced tremendous growth over the last ten years, continuing a trend that began in the 1970s.

However, state level aggregates can mask great variation in demographic change at the county level. While every county in the states of Hawaii, Arizona, Utah, and Washington gained population over the ten year period, several counties in the rest of the western states (California, Nevada, Idaho, Wyoming, New Mexico, Alaska, Colorado, Montana) showed decreases—despite overall statewide population increases. Several Montana counties experienced dramatic population loss; the population in 22 of the state's 56 counties decreased, with 16 of those counties concentrated in the eastern part of the state.

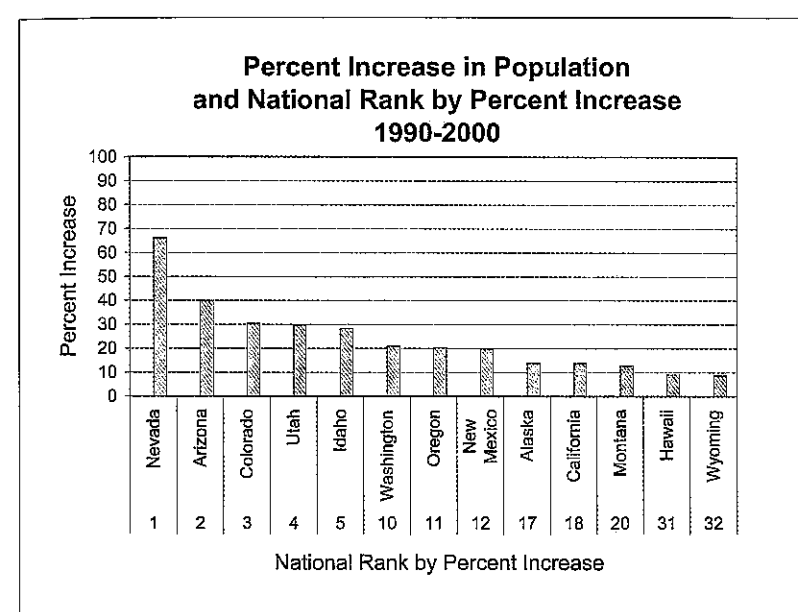


Figure 2. Percent increase in population and national rank by percent increase, 1990-2000. Source: U.S. Bureau of Census, 2000.

#### County-Level Change, 1990-2000

Figures 3-6 illustrate population change in the Western continental region (excluding Alaska and Hawaii) recorded in the 2000 Census. In each figure, urban counties are identified. Figure 3 illustrates population change in rural counties. Figure 4 shows the counties that have grown sufficiently to transition from rural to urban over the last decade.

Figure 3 illustrates one of the most dramatic changes in the western population between 1990 and 2000—the high percentage and geographic concentration of rural out-migration in central and eastern Montana. Although not as concentrated, we also see out-migration in eastern counties in Wyoming, Colorado and New Mexico. These counties have been dominated by resource industries; especially ranching and mining.

Also of note is the high percentage of population growth in central Colorado, between the Denver and Colorado Springs metropolitan areas. Population growth in three counties in central Colorado was greater than 100%, and the 191% growth experienced in Douglas County made it the fastest growing county (in terms of percentage) in the United States.

Figure 4 shows that Douglas County was the only county along the Front Range corridor in central Colorado to become urban in the census period. The population

increased from 60,392 in 1990 to 175,766 in 2000. Ironically, approximately 73% of Douglas County's population does not live in cities but in unincorporated areas in the county, while about 80% of its workforce commutes to jobs in nearby urban centers (Denver and Colorado Springs) in proximate counties (<http://www.douglas.co.us>).

Growth in Douglas County is due to proximity to natural amenities and business and employment opportunities in the Denver area. Recreational amenities include Pike National Forest, two state parks, a state recreation area, as well as numerous county, municipal and local parks, trails, and open spaces. To preserve the natural environment, the County is attempting to retain agricultural, ranching, parks, and open space in 70% of the corridor.

Nearby Park County (west of Douglas County) also exhibits trends seen in many rural Colorado

counties; as the local economy is becoming less dependent on mining and ranching, it is becoming more dependent on tourism and real estate development. Experiencing a 102% population gain in the last decade, the area is a bedroom community for Denver and several local mountain resorts such as Breckenridge. The demand for jobs in the County far exceeds the number of employment opportunities, and infrastructure development is not commensurate with current population growth. Consequently, many basic services and amenities are lacking, which requires residents to travel to nearby counties.

Many Park County businesses are experiencing a steady increase in retail sales, but only a few have reached the point of expanding operations. Home-based business development appears to be the fastest growing industry. Notable examples include software programmers, attorneys, writers, desktop publishers, artisans, and national product sales representatives. There are now considerable opportunities for new businesses to support the County's burgeoning heritage tourism and outdoor recreation markets. However, the high rate of business failure (greater than 90%) suggests a need for more business training for entrepreneurs, and for conducting adequate market research before relocating to, or investing in, the area (<http://co.park.co.us/Profile>).

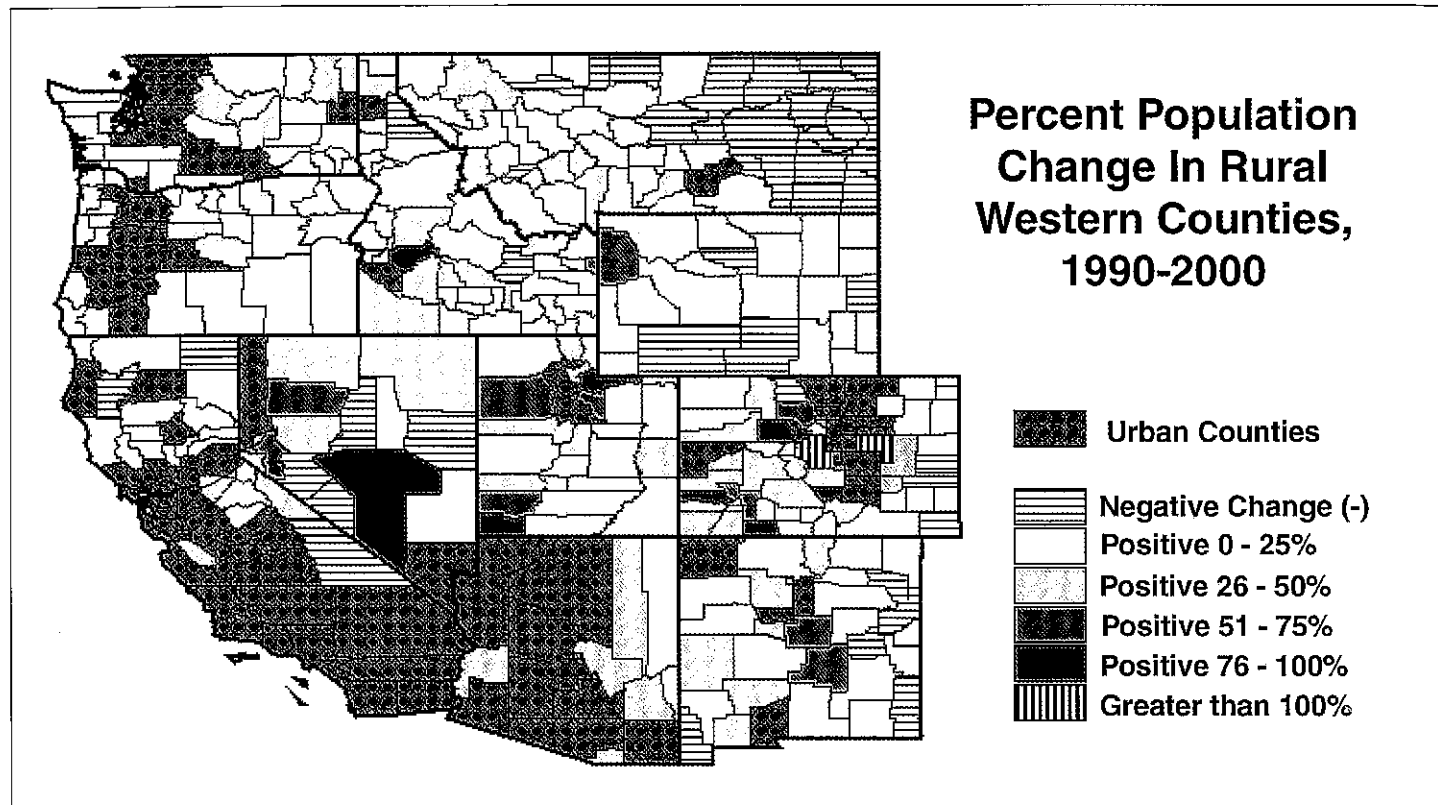


Figure 3. Percent population change in rural western counties, 1990-2000. Source: U.S. Bureau of Census, 2000.

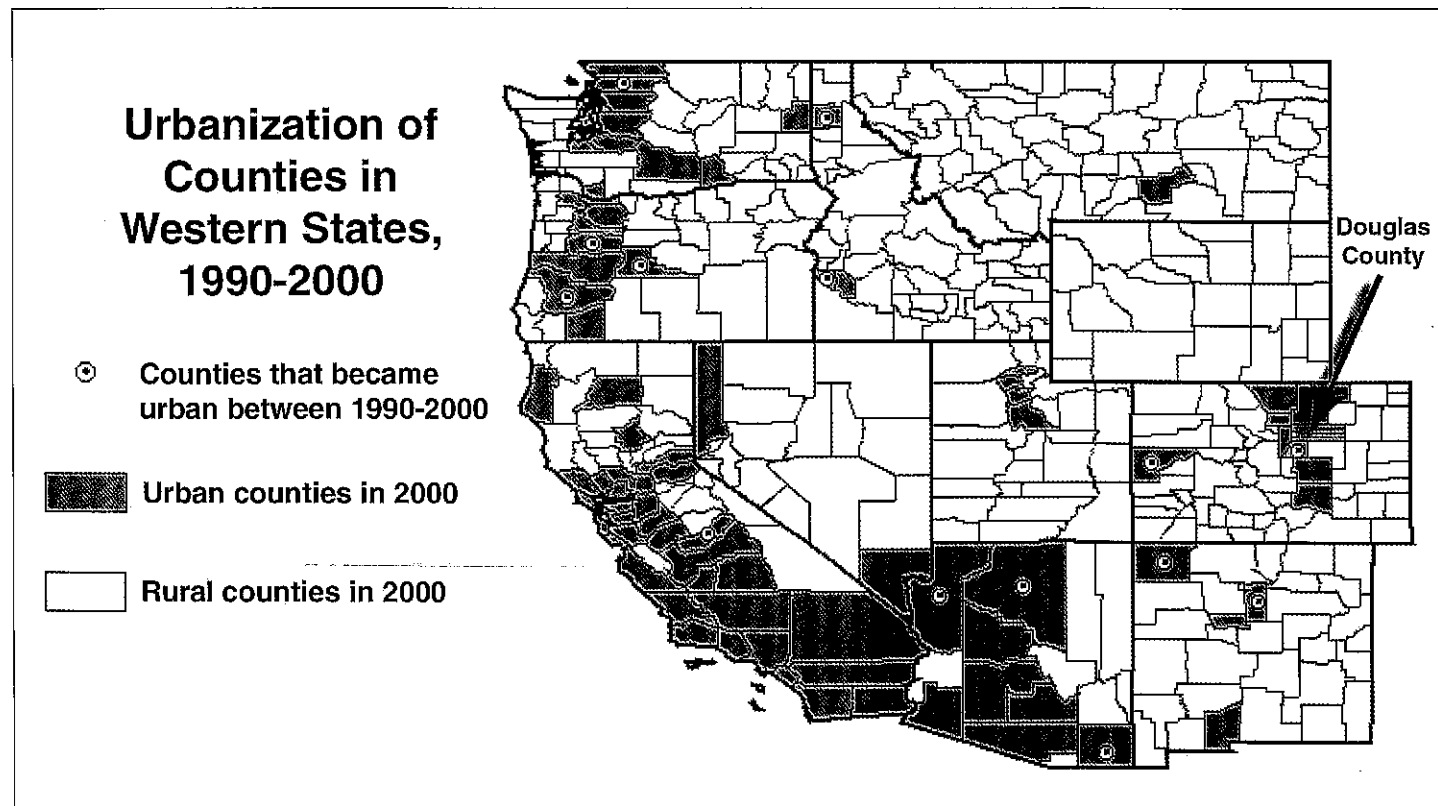


Figure 4. Urbanization of counties in western states, 1990-2000. Source: U.S. Bureau of Census, 2000.

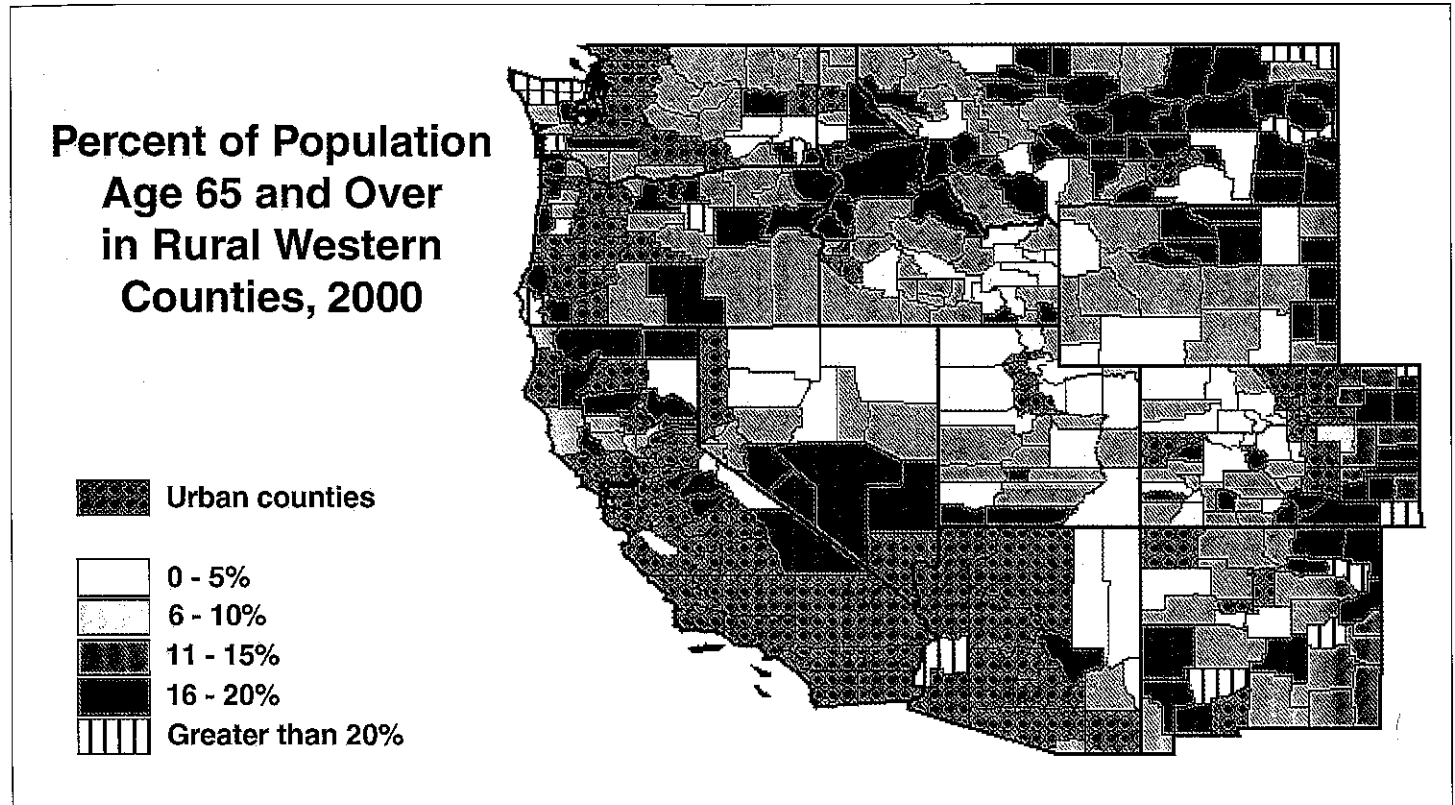


Figure 5. Percent of population age 65 and over in rural western counties, 2000. Source: U.S. Bureau of Census, 2000.

California and Arizona have the greatest number of urban counties in the Western region, and the greatest proportion of urban land mass. While many counties in western states had populations exceeding 100,000 at the time of the 2000 Census, there were several counties that crossed that threshold between 1990 and 2000. Many of these counties are adjacent to already urban counties—and hence experienced the spillover effect. Examples are Skagit County (north of Seattle, WA), Canyon County (west of Boise, ID), and Kootenai County, Idaho (east of Spokane, WA). Several Oregon counties south of the Portland metropolitan area (Multnomah County) that became urban in the decade now form an urban corridor all the way to the California border.

Mohave and Coconino Counties in northern Arizona exceeded the 100,000 mark, with large population centers in Lake Havasu City and Flagstaff. In New Mexico, San Juan County (east of Las Vegas, NV) had a 24% population increase, while Santa Fe County in northern central New Mexico experienced a 31% population increase, with both counties becoming urban in 2000.

#### *Population Density and Age Distribution*

When we compare Figures 3 and 5 we see that counties showing concentrated population declines often overlap counties having greater than 20% of their population over age 65. In northeastern Montana, the very rural Counties of Daniels, Sheridan, Prairie, and Wilboux (all with fewer than 2,500 residents) lost between 10% and 13% of their total population in the census period. In these same counties the elderly accounted for nearly 25% of the remaining population, compared to a statewide average of 13%. Households in all four counties have lower median incomes than the Montana state average, and higher percentages of persons below the poverty line. These data are significant because rural counties with a higher than average percentage of elderly that have also experienced a significant out-migration of the working age population often have difficulty providing adequate levels of health and other services that elderly populations typically require.

We also see concentrations of elderly in Clallam and Jefferson Counties on the northern coast of Washington, where more than 21% of the population was over age 65.

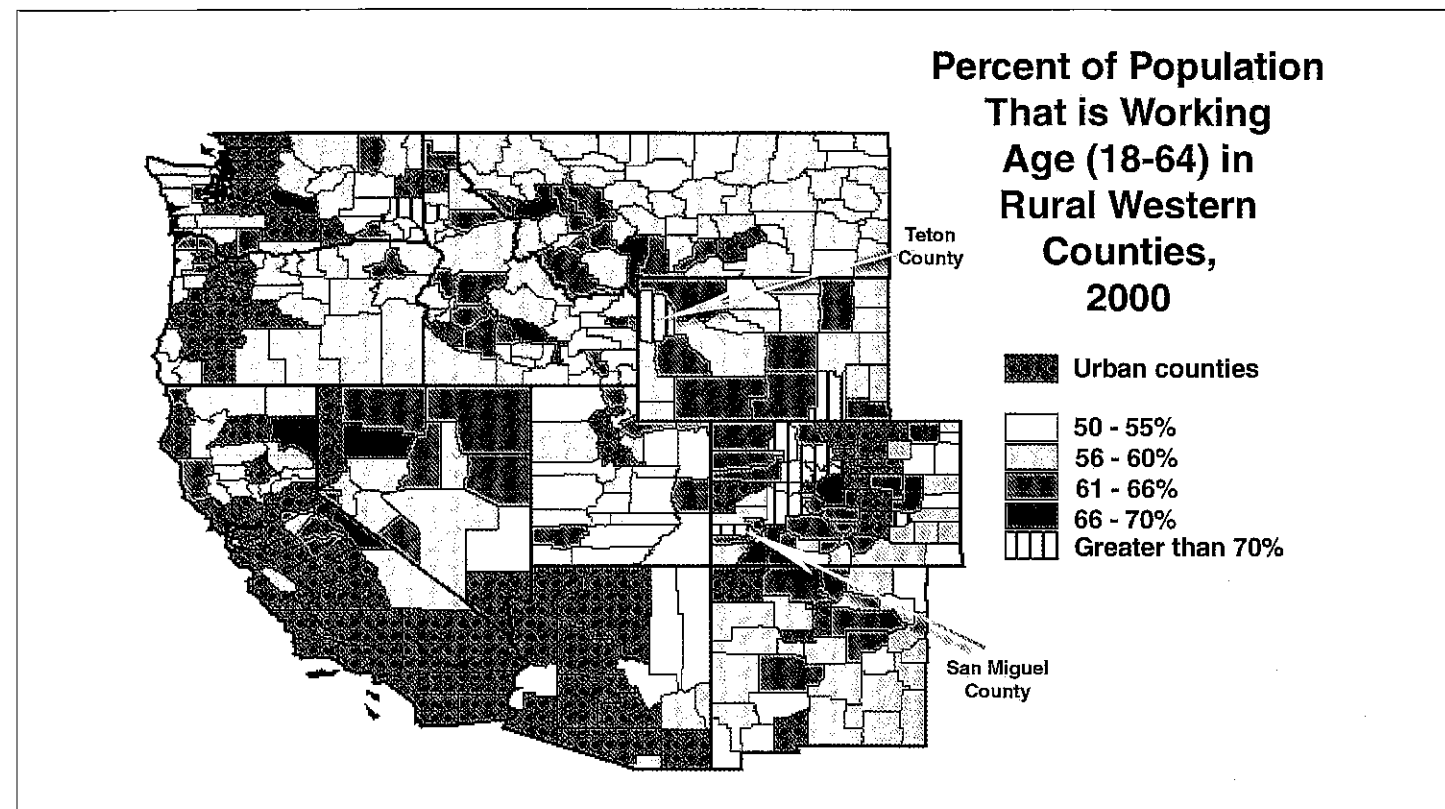


Figure 6. Percent of population that is working age (18-64) in rural western counties, 2000. Source: U.S. Bureau of Census, 2000.

However, in contrast to very small rural counties in Montana that are losing the working age population, the overall population of these two counties grew by 14% and 29%, respectively, suggesting the presence of amenities that draw retirees and others. Similarly, the overall population of La Paz County, Arizona, near the California border, grew more than 42% (compared to a statewide growth rate of 13%). The elderly accounted for 26% of the total population of La Paz County, indicating that it is an appealing location for retirement and recreation.

While counties in both northwestern Washington and northeastern Montana have proportionately high elderly populations as compared to state averages, the reasons differ. In northwestern Washington the increase is due to immigration toward amenities attractive to retirees (such as mild weather and access to good healthcare facilities). Presumably, this group has resources to help pay for services and infrastructure. This is not the case in northeastern Montana where the elderly are being "left behind" in declining rural communities lacking services and infrastructure.

Figure 6 shows that counties in which more than 70% of the population is working age are often recreation-based, high amenity counties. The town of Jackson Hole (Teton County) in northwest Wyoming has long been regarded as a high amenity, recreation, and tourist destination. Teton County per capita income is about twice the state average, and the median value of owner-occupied housing is about four times the state average. Of all Wyoming counties, Teton County sustained the highest overall rate of growth from 1990-2000 (63%) compared to a statewide average of only 9%. Population characteristics of Teton County are quite different than those of Wyoming overall. More than 73% of residents are working age, compared to a statewide average of 62% for this age group. Twenty percent of the population is under age 18, compared to a statewide percentage of 26%. Less than 7% of the population is over age 65, compared to a statewide percentage of nearly 12%. Clearly, Teton County has grown tremendously and the influx of a high income, young adult population makes it increasingly unaffordable for working families and elderly populations to live there.

San Miguel County in southwestern Colorado, where the resort town of Telluride is located, exhibits a similar demographic pattern. San Miguel County's population grew by more than 80% in the census period, compared to 30% growth statewide. While the working age population is greater than 70%, the population less than 18 years of age is 17.6%, compared to 25.6% for Colorado overall. The median value of owner-occupied housing in San Miguel County is twice that for Colorado overall. At the time of the 2000 Census only one third of residents had lived in the same house in 1995, while for Colorado overall the percentage of those in the same residence was 44% (compared to 54% nationally). Per capita income in San Miguel County is 25% greater than for the state as a whole.

An influx of new residents, a high number of second home owners, and a limited amount of developable private land drive up prices and strain local infrastructures. Key concerns in high amenity counties such as Teton and San Miguel are affordable housing, rapid growth, and adequate infrastructure. Both counties are characterized by huge income disparities between long-time residents and newcomers, many of whom either do not depend on income from work, or work in industries that are highly mobile.

Additional strain can occur when newcomers bring attitudes toward the environment and natural resources that are at odds with the attitudes of long-time residents who work, or have worked in, traditional extractive industries. There are also policy implications of rapid growth in rural communities. A key issue facing counties is that dispersed new residential development in rural areas often does not offset the cost of services that towns are required to provide (such as emergency, healthcare, and education services).

### Summary and Implications

It is clear that the rural West continues to be a demographically dynamic region, drawing retirees and amenity migrants to desirable rural areas. The western growth rate is one of the most explosive in the country. However, other rural counties in the West, especially those on the eastern side of the Rocky Mountains, are experiencing dramatic out-migration of the working age population—which leaves behind a greater concentration of elderly. Many of these counties are in areas in which

traditional industries, such as ranching and oil extraction, have declined in the last decade. These counties are challenged to maintain sufficient population and economic activity to support health, education, retail, and other required services. Diversification of local economies could help maintain resident populations, and might draw migrants.

The challenges that high amenity counties face in charting their futures are quite different from those faced by counties in decline. Areas experiencing rapid growth must manage growth carefully so the amenities that made them magnets for migrants are not spoiled. High growth counties must also balance the needs of newcomers and longtime residents. Issues such as the environment, jobs, and housing development can polarize these groups. High growth counties would be well-advised to conduct inclusive long-range planning to accommodate growth, maintain valuable open space, and preserve natural amenities. Whether in decline or experiencing rapid growth, counties need to actively manage their futures.

### Endnotes

- <sup>1</sup> According to U.S. Census Bureau, a metropolitan area is one of large population nucleus, together with adjacent communities that have a high degree of economic and social integration with that nucleus. Each metropolitan area must contain an urbanized area with at least 35,000 population, and a total population of at least 100,000.

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### *Cover Photo*

Bureau of Land Management/photo taken near Winnemucca, Nevada by Bob Goodman.

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### **About the WRDC**

The Western Rural Development Center (WRDC) is one of four USDA-sponsored regional rural development centers in the country. The WRDC participates in rural development research and extension (outreach) projects cooperatively with universities in the West, working closely with university personnel, policy makers, elected officials, community leaders, and citizens to

- identify key issues shaping the future of rural regions in the West, and
- organize projects that respond to those issues.

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