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# Region 9 Report-2003

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September 2003

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## INTRODUCTION

**The Region 9 Economic Development District of Southwest Colorado, Inc.** provides economic and community development services to a five county area, which includes Archuleta, Dolores, La Plata, Montezuma and San Juan Counties. Region 9 encompasses 6,584 square miles, 6.3% of the total land area in the State of Colorado (104,247 sq. miles). Of the total 45% are public lands, 38% are private lands and 17% are tribal lands. Geographically the area is located in a transitional zone between the southwestern edge of the Rocky Mountains and the eastern edge of the Colorado Plateau.

This *Report* summarizes demographic and economic information for the region as a whole, as well as for each of the individual counties. General information on tribal populations within the planning and management area is also presented. The purpose of this *Report* is to present some of the significant aspects of the Region 9 economy and to identify trends that may add insights into the regional economy. A **Glossary** has been added to provide a better understanding of key terms and concepts.

The population within the five counties of Region 9 grew at a rate of about 36% from 1990 to 2000. Much of this growth can be attributed to what is being termed "amenity migration". Newcomers are moving in to take advantage of the area's unique natural resources, quality of life, and other amenities that the region offers. Many of these newcomers are retirees or 2<sup>nd</sup> home- owners that bring along their pensions and other retirement benefits. This "new" money affects the local economy as it is spent on new homes and goods and services.

Population growth has affected land use planning as well as the overall economic picture of the region. Most of the growth has occurred in unincorporated areas of the counties, reflecting the conversion of agricultural land to rural subdivisions. Population growth has also created a demand for municipalities to provide services such as water and sewer, and infrastructure improvements such as new schools and transportation systems to newly annexed commercial and residential areas. These service demands are increasing, while the local governments are searching for ways to set spending priorities in light of state-wide budget cuts.

Historically industries such as mining, agriculture and forestry formed the job base supporting the local economy. Currently the historic major industries of mining, agriculture and forestry provide less than 4% of employment earnings in the regional economy. These base industries have been replaced over time by tourism. The Archuleta and La Plata County employment economies are based primarily on tourism and retail trade. Agriculture related services and forestry remain significant sources of employment for certain parts of the region, especially Dolores and Montezuma counties. Since the closure of the Sunnyside Mine in Silverton, San Juan County is almost entirely dependent on employment generated from tourism.

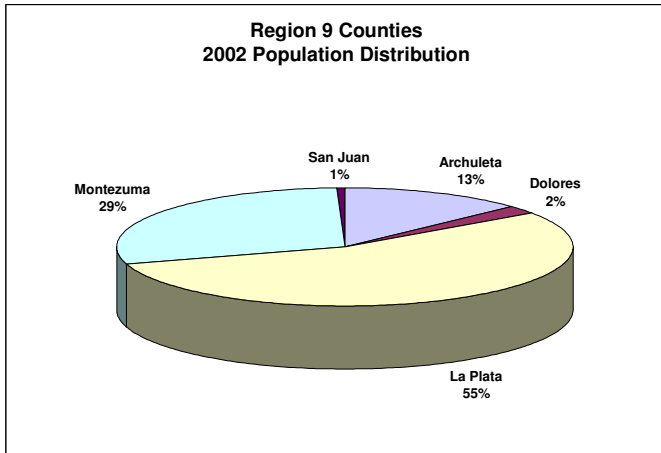
Economic diversification is a high priority for Region 9. Local and regional economies need to develop more diversity to improve the number, quality and variety of jobs that are available to local residents. Infrastructure improvements such as advanced telecommunications, the development of industrial parks for light manufacturing, and improved air and overland freight routes could help diversify the regional economy. The agricultural sector could also benefit by the provision of economic incentives to farmers and ranchers to preserve rural lands. The preservation of a rural lifestyle and landscape has been identified as priorities in all discussions of economic development in the region.

**Notes on Sources** - The Demography Section - Colorado Division of Local Government (CDLG) provided employment and income estimates using 2001 data from the Colorado Department of Labor (ES202) and information from the BEA. Unfortunately, the release of economic information from the Bureau of Economic Analysis (BEA) is always about two years behind the current year. This *Report* revision is based on available data, using 2001 as a benchmark. Please note that there are some limitations with using BEA data to establish agricultural employment income. Keep in mind that many of the numbers are estimates and subject to change. Other sources are noted in text.

The Demography Section is also the source of demographic information. The demographic data presented in this *Report* is either actual census data or estimates of population prepared by the State Demographer.

## REGION 9 OVERVIEW

**Population** - Of the 83,909 people living in Region 9 in 2002 more than half resided in La Plata County, followed by Montezuma, Archuleta, Dolores, and San Juan Counties.



In 2002 the largest municipality in Region 9 was the City of Durango in La Plata County (15,028); followed by the City of Cortez in Montezuma County (8,260); and the Town of Pagosa Springs in Archuleta County (1,624). The smallest population center is the Town of Rico (223) in Dolores County.

A look at the annual average population change for each county gives an idea of growth trends in the region from 1998 to 2002.

	Estimates		Census 2000	Estimates		Avg Annual % Change 1998-2002
	1998	1999		2001	2002	
Archuleta	9,133	9,570	9,898	10,548	10,942	4.0%
Dolores	1,766	1,811	1,844	1,844	1,881	1.3%
La Plata	41,173	42,757	43,941	45,614	46,239	2.5%
Montezuma	23,117	23,524	23,830	23,999	24,282	1.0%
San Juan	555	557	558	560	565	0.4%
<b>Region 9</b>	<b>75,744</b>	<b>78,219</b>	<b>80,071</b>	<b>82,565</b>	<b>83,909</b>	<b>2.2%</b>

Source: Colorado Demography Section estimates (draft 6-03)

The regional population will continue to grow, but at a slower rate, based on forecasts by Colorado Demography Section (Draft - June 2003). Please note that the Demography Section has recently made adjustments to 2000 Census data, which were not included in the table above.

Region 9	2000	2005	2010	2015	2020
Population	80,860	88,447	100,239	112,703	125,547
Avg. Ann. % Change		1.8%	2.5%	2.4%	2.2%

2000 estimates from the Demography Section (draft 6-03)  
reflect adjustments to Census data at the county level

We can also make comparisons of our region's population growth to that of the rest of the state. Using the percent change from 1990 to 2000, Archuleta County was ranked 5<sup>th</sup> of 63 counties in the state (14<sup>th</sup> nationwide). Dolores County was ranked 37<sup>th</sup>, La Plata County was 22<sup>nd</sup>, Montezuma County was 33<sup>rd</sup>, and San Juan County was 63<sup>rd</sup>. A new county was added to the state in 2000, but is not included in the 2000 rankings. Rankings for 2001 and 2002 are not yet available.

**Employment and Income** - In keeping with population growth, the Region 9 labor force grew by about 2,663 workers (6.4%) from 1998 to 2002. The unemployment rate in the region is declining and is less than the state average (5.7%), and the national average (5.9%) in 2002.

Labor Force 1998-2002					
REGION 9	1998	1999	2000	2001	2002
Unemployed	2,419	1,776	1,800	1,749	2,280
Employed	38,959	39,796	39,931	39,490	41,761
Total Labor Force	41,378	41,572	41,731	41,239	44,041
Unemploy. Rate	5.8%	5.8%	4.3%	4.3%	4.2%
State Unemploy. Rate	3.8%	2.9%	2.7%	3.7%	5.7%

Source: Colorado Dept of Labor

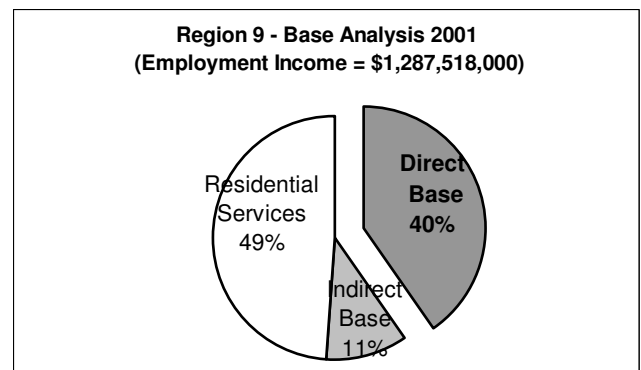
The following figure presents the proportionate numbers of jobs and employment income by sector for Region 9. These data are drawn from 2001 estimates made by the Demography Section that include proprietors and self-employment as well as wage earners. Please note that income figures are presented in thousands of dollars.

Region 9 2001 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.
Agriculture	3,502	5%	\$ 17,463	1%
Mining	639	1%	\$ 34,261	2%
Construction	4,853	12%	\$ 178,175	15%
Manufacturing	1,622	4%	\$ 42,723	4%
T,C & PU	1,507	3%	\$ 80,324	6%
Trade	11,165	25%	\$ 205,303	18%
F,I & RE	2,754	4%	\$ 89,831	6%
Services	15,320	33%	\$ 401,978	31%
Government	8,143	12%	\$ 236,559	17%
<b>Total</b>	<b>49,505</b>	<b>100%</b>	<b>\$ 1,286,617</b>	<b>100%</b>

Source: Colorado Demography Section

In 2001 the largest employment sector was the service industry (33%), which also provided the most employment income (31%). Employment (25%) and employment income (18%) in the wholesale/retail trade sector are also important in the regional economy. These figures reflect the dependency of the Region on tourism as a primary economic force.

**Base Analysis** - Base analysis distinguishes which industries and factors are basic in the economy, and are responsible for overall growth and change. See the **Glossary** for a more detailed discussion of the individual components.



In 2001, about \$519 million (40%) came into the Region as new dollars being drawn into the local economy through **direct base** jobs in industries such as services, retail trade, and government. **Indirect base** (supporting) jobs accounted for another \$140 million (11%). **Residential services** provided job income of about \$627 million (49%) in the local economy.

**Total Personal Income (TPI)** - TPI is the sum of all income accruing to residents of Region 9 from various sources. Components include employment income, transfer payments, dividends, interest and rent, and residency adjustments. See the **Glossary** for a more detailed discussion of the individual components.

Region-wide, TPI amounts to \$2,103,254,000. Retirees bring in almost \$35 million (17%) of this income through some transfer payments and dividends, interest and rent.

Total Personal Income by County - 2001						
County	Employment Income	Transfer Payments	Div., Int & Rent	Residency Adjustment	Total (\$000)	% of Total
Archuleta	\$ 109,584	\$ 29,890	\$ 63,361	\$ 4,772	\$ 207,607	10%
Dolores	\$ 17,806	\$ 8,420	\$ 7,747	\$ 4,304	\$ 38,277	2%
La Plata	\$ 840,868	\$ 120,590	\$ 321,661	\$ 15,396	\$ 1,298,515	62%
Montezuma	\$ 309,120	\$ 90,275	\$ 114,862	\$ 30,180	\$ 544,437	26%
San Juan	10,138	\$ 1,942	\$ 2,950	\$ (612)	\$ 14,418	1%
Total (\$000)	\$ 1,287,516	\$ 251,117	\$ 510,581	\$ 54,040	\$ 2,103,254	100%
% of Total	61%	12%	24%	2.6%	100%	

Source: Estimates provided by the Colorado Demography Section (March 03)

Region-wide TPI was up 9.7% from 2000 to 2001.

Region 9 Total Personal Income (\$000)			% change
	2000	2001	2000-2001
Archuleta	\$ 189,408	\$ 207,607	9.6%
Dolores	\$ 32,905	\$ 38,277	16.3%
La Plata	\$ 1,209,549	\$ 1,298,515	7.4%
Montezuma	\$ 473,272	\$ 544,437	15.0%
San Juan	\$ 12,594	\$ 14,418	14.5%
Region 9	\$ 1,917,728	\$ 2,103,254	9.7%

**Per Capita Personal Income (PCPI)** - All income in a region is added together (TPI), and then divided by the number of residents.

Per Capita Personal Income				% change
	2000	2001		2000-2001
Archuleta	\$ 18,439	\$ 19,021		3.2%
Dolores	\$ 19,083	\$ 20,871		9.4%
La Plata	\$ 26,932	\$ 28,013		4.0%
Montezuma	\$ 21,369	\$ 21,771		1.9%
San Juan	\$ 22,982	\$ 21,725		-5.5%
Colorado	\$ 33,060	\$ 33,455		1.2%
USA	\$ 29,760	\$ 30,413		2.2%

Source: Bureau of Economic Analysis

**Retail Sales** - Retail sales in Region 9 totaled more than 1.63 billion dollars in 2001, up from \$1.57 billion in 2000.

Region 9 Retail Sales - (\$000)			% change
	2000	2001	2000-2001
Archuleta	\$ 178,576	\$ 184,005	3.0%
Dolores	\$ 16,516	\$ 18,103	9.6%
La Plata	\$ 975,301	\$ 1,015,255	4.1%
Montezuma	\$ 390,217	\$ 406,912	4.3%
San Juan	\$ 15,217	\$ 15,129	-0.6%
Region 9	\$ 1,575,827	\$ 1,639,404	4.0%

The strongest sector was in retail trade, which accounted for 63% of the total. Services (not including lodging) were also a strong sector, providing about 12% of the total.

Region 9-2001 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Agric., Forestry & Fisheries	\$9,095,000	0.6%
Mining	\$8,856,000	0.5%
Construction	\$57,835,000	3.5%
Manufacturing	\$51,078,000	3.1%
Transp. & Public Utilities	\$120,553,000	7.4%
Wholesale Trade	\$76,642,000	4.7%
Finance, Ins. & Real Estate	\$11,694,000	0.7%
Services-Not Lodging	\$192,888,000	11.8%
Lodging	\$64,438,000	3.9%
Retail Trade	\$1,035,036,000	63.1%
Other*	\$11,289,000	0.7%
<b>Total</b>	<b>\$ 1,639,404,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

Retail trade includes a variety of industries, as shown below. Retail trade sales were \$1,035,036,000 in 2001, up 2.5% from 2000. Automotive retail trade was the largest sector, accounting for about 25% of the total, followed by food sales (12.4%) and building supplies (16.8%) and food sales (16%).

Region 9 - 2001 Retail Trade		
Industry	\$ Sales	% Total
Food	\$ 127,854,000	12.4%
Furniture	\$ 44,773,000	4.3%
Eat/Drink	\$ 101,776,000	9.8%
Gen. Merchandise	\$ 107,901,000	10.4%
Apparel	\$ 18,467,000	1.8%
Automotive	\$ 263,102,000	25.4%
Building	\$ 109,809,000	10.6%
Other*	\$ 261,354,000	25.3%
<b>Total</b>	<b>\$ 1,035,036,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

## ARCHULETA COUNTY

Archuleta County is comprised of 872,960 acres (1,364 sq. miles). Only 34% of lands in Archuleta County are in private ownership. Although Archuleta County is technically not zoned, the county controls the use of land through its recently adopted (March 2000) conditional use process. Tribal lands comprise 14.4% of the county and any decisions regarding their development (i.e. mineral and timber resources) could be crucial to impacts on county resources and economic development. Most of the northern and eastern portions of the county (51.6%) are within the San Juan National Forest and are under the management of the U.S. Forest Service. Federal lands continue to be managed under a policy of multiple use.

**Population** - In 2000 the county's population was 9,898. According to the 2000 Census the median age was 40.8. Males comprised 51% and females comprised 49% of the total population. The average household size was 2.47 people. From 1990 to 2000 Archuleta County has shown, at 6.36%, the highest annual percent of population increase in Southwest Colorado. Archuleta County was ranked 5<sup>th</sup> of 63 counties in the state (14<sup>th</sup> nationwide).

The majority of the county's population is concentrated within the Town of Pagosa Springs and its surrounding subdivisions. The following figure provides population estimates for unincorporated areas of Archuleta County and Pagosa Springs for the years 1998 to 2002. These population figures, however, do not reflect the large number of seasonal residents in this area.

	Estimates		Census 2000	Estimates		Avg Annual % Change 1998-2002
	1998	1999		2001	2002	
<b>Archuleta</b>	9,133	9,570	9,898	10,548	10,942	4.0%
Pagosa Springs	1,605	1,597	1,591	1,621	1,624	0.2%
Unincorporated	7,528	7,973	8,307	8,927	9,318	4.8%

Source: Colorado Demography Section estimates (draft 6-03)

The annual average growth rate in Archuleta County is expected to decrease over the next 20 years, however the population is projected to be at 19,813 people by 2020.

Archuleta	2000	2005	2010	2015	2020
<b>Population</b>	10,028	12,100	14,449	16,934	19,813
Avg. Ann. % Change		3.8%	3.6%	3.2%	3.2%

2000 estimates from the Demography Section (draft 6-03)  
reflect adjustments to Census data at the county level

**Housing** - According to the Demography Section in 2001 there were 6,572 housing units. Of these 65% were occupied and 35% were vacant. In 2001 only about 47% of families would be able to purchase a median priced home of \$186,549 [Source: Operation Healthy Communities}.

**Livable Wages** - Operation Healthy Communities (OHC) has determined that in 2001 a minimum of \$9.55/hr provided a livable wage in Archuleta County, if you were a single person renting a one- bedroom apartment. The median family income for Archuleta County in 2001 was estimated at \$42,500 [Source: Housing and Urban Development].

**Economic Trends** - Archuleta County developed as a result of a unique combination of natural resources and natural attributes, i.e. the Hot Springs located in Pagosa Springs. Initially these resources were "Traditional West" commodities such as timber, cattle and minerals. In 1970, manufacturing (primarily wood products) provided 30% of the county's total work income and generated \$7.4 million in earnings. Over the next 20 years manufacturing wages decreased. The decline of the timber industry in the late 1970's played a large role in this decrease.

The 1980's were a time of relative stability in terms of population and economy, reflecting the "flat" state and national economies. Since that time Archuleta County has been in transition from a traditional rural community to a more urban environment in which tourism is the number one industry. The natural environment, and the amenities it provides, are behind much of the growth and have become the larger region's chief economic asset.

**Employment and Income** - The composition of the economy supports a low unemployment rate although seasonal fluctuations are generally seen in the winter months. The unemployment rate was up in 2002, a trend seen state-wide (5.7%) as well as nation-wide (5.9%).

Labor Force 1998-2002					
ARCHULETA	1998	1999	2000	2001	2002
Unemployed	237	177	170	204	302
Employed	4,042	4,384	4,625	4,540	5,040
Total Labor Force	4,279	4,561	4,795	4,744	5,342
Unemploy. Rate	5.5%	3.9%	3.5%	4.3%	5.7%
State Unemploy. Rate	3.8%	2.9%	2.7%	3.7%	5.7%

Source: Colorado Dept of Labor

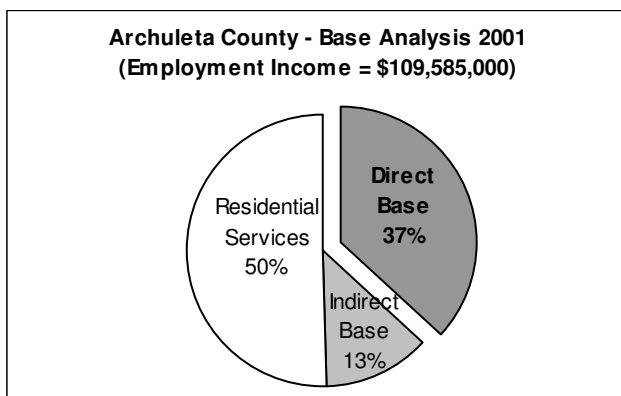
The U.S. Census Bureau estimates that in 2000 there were 466 people commuting out of the county for work, primarily out of state (152) and to La Plata County (248). In contrast 335 people were commuting in for work, primarily from out of state (58); La Plata County (110) and Rio Grande County (70). A Four Corners Regional transit system might help to alleviate impacts to roadways given the high number of commuters.

The ratio of earnings to employment indicate which sectors are high earning sectors, on average, compared to those sectors which generate lower earnings. For example, the service sector employs the most wage earners (25%) in the county, and represents 21% of the earnings, as shown in the following table.

Archuleta County 2001 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.	avg. annual wage *
Agriculture	299	6%	100	0.1%	\$ 24,563
Mining	53	1%	\$ 1,876	2%	\$ 28,606
Construction	675	14%	\$ 19,833	18%	\$ 26,704
Manufacturing	81	1.6%	\$ 3,479	3.2%	\$ 32,824
T,C & PU	114	2%	\$ 5,685	5%	\$ 38,272
Trade	1190	24%	\$ 20,769	19%	\$ 47,441
F,I & RE	669	14%	\$ 15,573	14%	\$ 32,387
Services	1,227	25%	\$ 22,774	21%	\$ 19,596
Government	623	13%	\$ 19,496	18%	\$ 24,964
<b>Total</b>	<b>4,931</b>	<b>100%</b>	<b>\$ 109,585</b>	<b>100%</b>	<b>\$ 22,495</b>

\*avg wage for Wholesale Trade is \$47,441; Retail is \$14,703  
From BEA & ES 202-includes proprietor income

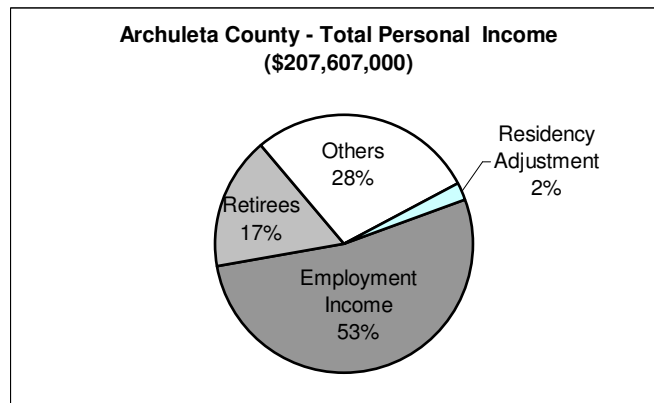
**Base Analysis** - Base analysis distinguishes which industries and factors are basic in the economy, and are responsible for overall growth and change. See the **Glossary** for a more detailed discussion of the individual components.



In 2001, about \$40.5 million (37%) came into Archuleta County as new dollars being drawn into the local economy through **direct base** jobs in industries such as services and trade. Jobs relating to tourism, including those in construction and real estate, account for 29% (1,441) of total employment and 24% (\$26,005,000) of total employment income. **Indirect base** (supporting) jobs accounted for another \$13.7 million (13%). **Residential services** provided job income of about \$55.3 million (50%) in the local economy.

**Total Personal Income (TPI)** - TPI is the sum of all income accruing to residents from various sources. Components include employment income, transfer payments, dividends, interest and rent, and residency adjustments. See the **Glossary** for a more detailed discussion of the individual components.

Retired persons collect benefits that account for 17% (\$34,766,000) of TPI in Archuleta County. Retirees make significant contributions to the economy by purchasing goods and services with income from outside sources (i.e. transfer payments), bringing "new" money to circulate in the local economy. This new money also creates employment opportunities.



### Retail Sales

Archuleta -2001 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Agric., Forestry & Fisheries	\$ 1,458,000	0.8%
Construction	\$ 9,901,000	5.4%
Mining	\$ 2,424,000	1.3%
Manufacturing	\$ 4,752,000	2.6%
Transp. & Public Utilities	\$ 14,561,000	7.9%
Wholesale Trade	\$ 7,799,000	4.2%
Finance, Ins. & Real Estate	\$ 2,741,000	1.5%
Services-Not Lodging	\$ 19,070,000	10.4%
Lodging	\$ 7,581,000	4.1%
Retail Trade	\$ 113,555,000	61.7%
Other*	\$ 163,000	0.1%
<b>Total</b>	<b>\$ 184,005,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

Retail trade is the strongest sales sector, followed by services (not lodging). These are also the strongest employment sectors. In 2001 there were \$184,005,000 total sales, up 3% from 2000.

Archuleta - 2001 Retail Trade		
Industry	\$ Sales	% Total
Eat/Drink	\$13,185,000	11.6%
Gen. Merchandise	\$6,399,000	5.6%
Auto	\$18,474,000	16.3%
Furnishings	\$3,168,000	2.8%
Building	\$26,588,000	23.4%
Other*	\$45,741,000	40.3%
<b>Total</b>	<b>\$113,555,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

Within the Retail Trade sector building material sales is the strongest disclosed sector, followed by auto sales. In 2001 there were \$113,555,000 total retail trade sales; this is down 3.8% from 2000.

## DOLORES COUNTY

Dolores County is comprised of 673,897 acres (1,052 sq. miles). Of these 58% are state and federal lands, and 42% are in private ownership. There are new regulations to establish a permitting process, and performance standards, for public review and approval of certain new development activities and land use changes within the unincorporated area of Dolores County. The performance standards are intended to ensure that new developments do not interfere with existing land uses, especially agricultural operations; and that they comply with a variety of existing county, state and federal regulations.

**Population** - Dolores County has a relatively small population (1,881 in 2002). According to the 2000 Census the median age was 42.4. Males comprised 52 % and females comprised 48% of the population. The average household size was 2.35 people.

The population is dispersed within two topographically distinct areas. Dove Creek, the county seat, is primarily within an agricultural area located on the west-side of the county. From 1990 to 2000 Dove Creek averaged 0.82% annual growth. The Town of Rico is located in the eastern portion of the county. Mining began in Rico in Eastern Dolores County in 1869. The Town of Rico (elevation 8,827 feet) experienced the booms and busts of hard rock mining until the last mines closed in the 1970s. Rico is beginning to grow again based largely on people who commute to Telluride, which has undergone rapid expansion as a Ski Town. From 1990 to 2000 Rico averaged 8.34% annual growth. To accommodate growth, Rico needs to develop a sewer system and upgrade its water treatment capacity.

	Estimates		Census	Estimates		Avg Annual % Change 1998-2002
	1998	1999	2000	2001	2002	
Dolores	1,766	1,811	1,844	1,844	1,881	1.3%
Dove Creek	682	691	698	695	706	0.7%
Rico	185	197	205	211	223	4.1%
Unincorporated	899	923	941	938	952	1.2%

Source: Colorado Demography Section estimates (draft 6-03)

Estimates shown below predict a fairly constant growth rate for Dolores County for the next 20 years.

Dolores	2000	2005	2010	2015	2020
Population	1,844	1,967	2,127	2,272	2,431
Avg. Ann. % Change		1.3%	1.6%	1.4%	1.4%

2000 estimates from the Demography Section (draft 6-03)  
reflect adjustments to Census data at the county level

**Housing** - According to the Demography Section, in 2001 there were 1,200 housing units. Of these 66% were occupied and 34% were vacant. In 2001 only about 68% of families would be able to purchase a median priced home of \$132,275 in rural Dolores County. In Rico, about 48% of families would be able to purchase a median priced home of \$132,275. In Dove Creek about 85% of families would be able to purchase a median priced home of \$38,000 [Source: Operation Healthy Communities].

**Livable Wages** - Operation Healthy Communities (OHC) has determined that in 2001 a minimum of \$8.46/hr provided a livable wage in Dove Creek, and \$9.35/hr in Rico, if you were a single person renting a one- bedroom apartment. The median family income for Dolores County was estimated at \$30,900 [Source: Housing and Urban Development].

**Economic Trends** - The Dolores County economy is dominated by agriculture. The agricultural sector in Dolores County was built upon the production of dry land crops. New opportunities are being developed in the Dolores County agricultural sector including the introduction of irrigated farming with water from McPhee Reservoir and the development of new crops and value added businesses.

Historically, the mountainous (eastern) part of Dolores County supplied a number of small saw mills and was the site of gold, silver, copper, lead, zinc and molybdenum mining in the Rico area. Uranium mining in Western San Miguel County to the North provided important supplemental income to the Dolores County economy until the mines closed in the mid-1980s. It is said that many farm mortgage payments were made with the help of a winter job in the uranium mines. Access to scenic public lands in the county provide recreational opportunities, however, the tourist base is served primarily by businesses outside of the county.

**Employment and Income** - The composition of the economy supports a low unemployment rate although seasonal fluctuations are generally seen in the winter months. The unemployment rate was up in 2002, a trend seen state-wide (5.7%) as well as nation-wide (5.9%).

Labor Force 1998-2002					
DOLORES	1998	1999	2000	2001	2002
Unemployed	75	57	64	46	82
Employed	580	663	624	602	666
Total Labor Force	655	720	688	648	748
Unemploy. Rate	11.5%	7.9%	9.3%	7.1%	11.0%
State Unemploy. Rate	3.8%	2.9%	2.7%	3.7%	5.7%

Source: Colorado Dept of Labor

The U.S. Census Bureau estimates that in 2000 there were 344 people commuting out of the county for work, primarily out of state (57); to Montezuma County (177); and to San Miguel County (84). In contrast 56 people were commuting in for work, primarily from Montezuma County (35) and San Miguel County (19). A Four Corners Regional transit system might help to alleviate impacts to roadways given the high number of commuters.

The ratio of earnings to employment indicate which sectors are high earning sectors, on average, compared to those sectors which generate lower earnings. For example, the agricultural sector employs the most wage earners (34%) in the county, and represents 9% of the earnings, as shown in the following table.

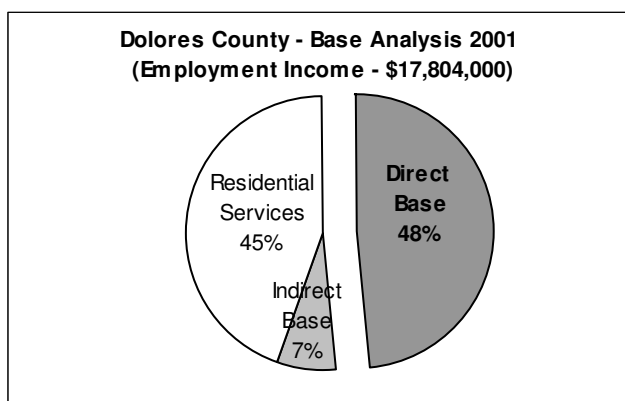
Dolores County 2001 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.	avg. annual wage *
Agriculture	266	34%	\$ 1,573	9%	\$ 16,304
Mining	30	4%	\$ 1,569	9%	\$ 42,680
Construction	34	4%	\$ 1,195	7%	\$ 21,698
Manufacturing	11	1%	\$ 300	2%	\$ 14,929
T,C & PU	18	2%	\$ 2,838	16%	\$ 20,075
Trade	124	16%	\$ 2,265	13%	\$ 20,467
F,I & RE	21	3%	\$ 838	5%	D
Services	67	9%	\$ 2,536	14%	\$ 12,300
Government	204	26%	\$ 4,692	26%	\$ 18,357
Total	775	100%	\$ 17,806	100%	\$ 18,029

D= non-disclosure

\*avg wage for Wholesale Trade is \$20,467; Retail is \$10,745

From BEA & ES 202-includes proprietor income

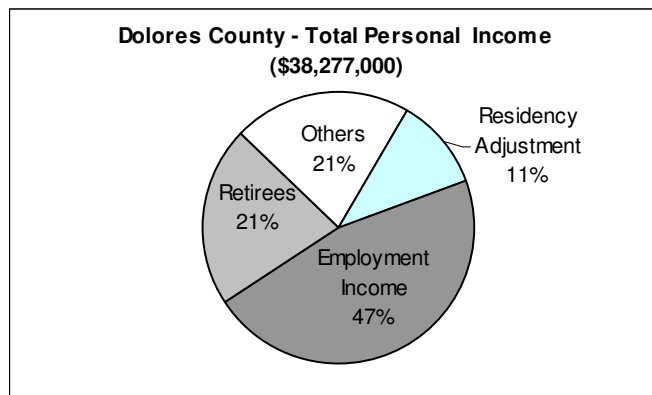
**Base Analysis** - Base analysis distinguishes which industries and factors are basic in the economy, and are responsible for overall growth and change. See the **Glossary** for a more detailed discussion of the individual components.



In 2001, about \$8.6 million (48%) came into Dolores County as new dollars being drawn into the local economy through **direct base** jobs in industries such as agriculture and trade. **Indirect base** (supporting) jobs accounted for another \$1.2 million (7%). **Residential services** provided job income of about \$7.9 million (45%) in the local economy.

**Total Personal Income (TPI)** - TPI is the sum of all income accruing to residents from various sources. Components include employment income, transfer payments, dividends, interest and rent, and residency adjustments. See the **Glossary** for a more detailed discussion of the individual components.

Retired persons collect benefits that account for 21% (\$8,109,000) of TPI in Dolores County. Retirees make significant contributions to the economy by purchasing goods and services with income from outside sources (i.e. transfer payments), bringing "new" money to circulate in the local economy. This new money also creates employment opportunities.



### Retail Sales

Dolores - 2001 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Manufacturing	\$ 133,000	0.7%
Transp. & Public Utilities	\$ 1,206,000	6.7%
Services-Not Lodging	\$ 811,000	4.5%
Retail Trade	\$ 9,578,000	52.9%
Other*	\$ 6,375,000	35.2%
<b>Total</b>	<b>\$ 18,103,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

Retail trade is the strongest sales sector, followed by transportation & public utilities. In 2001 there were \$18,103,000 total sales, up 9.6% from 2000.

Dolores - 2001 Retail Trade		
Industry	\$ Sales	% Total
Automotive	\$ 5,748,000	60.0%
Eat/Drink	\$ 510,000	5.3%
Food	\$ 653,000	6.8%
Other*	\$ 2,667,000	27.8%
<b>Total</b>	<b>\$ 9,578,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

Within the Retail Trade sector, automotive sales are the strongest disclosed sector, followed by food sales. In 2001 there were \$9,578,000 total retail trade sales; down 2.1% from 2000.

## LA PLATA COUNTY

The county is comprised of 1,083,085 acres (1,692sq. miles). Of these 43% are private lands, 16% are tribal lands (Southern Ute and Ute Mountain Ute), and 41% are state and federal lands. The foremost issue that the county currently faces is population growth. Implications of growth include increased demand for services; infrastructure needed to serve development; changes to the environment; and impacts on the overall quality of life in the county.

**Population** - In 2000 the county's population was 43,941. According to the 2000 Census the median age was 35.6. Males comprised 51% and females comprised 49% of the total population. The average household size was 2.43 people.

Between 1990 and 2000, La Plata County averaged 3.13% annual growth, with most of the growth occurring in Durango and unincorporated areas of the county. The City of Durango grew by an average of 1.13% annually and is currently under pressure from infrastructure issues such as transportation and water use in newly annexed areas. In the Town of Bayfield there was 3.58% average annual population growth in the last decade. A primary goal for Bayfield is to provide for orderly growth in a way that does not adversely affect the community's small town character, while providing the infrastructure for expansion. In the Town of Ignacio population has been slowly declining but with the advent of casino gambling on the Southern Ute Reservation and other expanding tribal enterprises, growth is probably inevitable.

	Estimates		Census 2000	Estimates		Avg Annual % Change 1998-2002
	1998	1999		2001	2002	
La Plata	41,173	42,757	43,941	45,614	46,239	2.5%
Bayfield	1,555	1,552	1,549	1,695	1,693	1.8%
Durango	13,468	13,731	13,922	14,708	15,028	2.3%
Ignacio	701	682	669	704	700	0.0%
Unincorporated	25,449	26,792	27,801	28,507	28,828	2.7%

Source: Colorado Demography Section estimates (draft 6-03)

The annual average growth rate in La Plata County is expected to decrease over the next 20 years, however the population is projected to be at 68,385 people by 2020.

La Plata	2000	2005	2010	2015	2020
Population	44,566	48,259	54,881	61,696	68,385
Avg. Ann. % Change		1.6%	2.6%	2.4%	2.1%

2000 estimates from the Demography Section (draft 6-03)  
reflect adjustments to Census data at the county level

**Housing** - According to the Demography Section in 2001 there were 21,498 housing units. Of these 84% were occupied and 16% were vacant. In 2001 only about 34% of families would be able to purchase a median priced home of \$269,900 in rural La Plata County. In Durango, about 41% of families would be able to purchase a median priced home of \$241,000. In Bayfield about 68% of families would be able to purchase a median priced home of \$131,625. In Ignacio about 58% of families would be able to purchase a median priced home \$174,000 [Source: Operation Healthy Communities].

**Livable Wages** - Operation Healthy Communities (OHC) has determined that in 2001 a minimum of \$9.67/hr provided a livable wage in Durango, \$9.32/hr in Bayfield, and \$9.32 in Ignacio if you were a single person renting a one- bedroom apartment. The median family income for La Plata County was estimated at \$49,900 [Source: Housing and Urban Development].

**Economic Trends** - Historically, La Plata County developed as a result of "traditional west" commodities such as minerals, cattle and timber. Since the 1970's La Plata County has been in transition from a traditional rural county to a more urban environment in which tourism is the number one industry. People moving in for quality of life issues or "amenity migration" drove population growth in the 1990's, a trend still seen today.

Because of its location within the larger region Durango has developed as a tourist crossroads and regional trade center, as well as being the county seat. Bayfield has served as a supply town and social center for area farmers and ranchers, and more recently as a bedroom community for Durango. At present Ignacio remains a tri-ethnic community, composed of Southern Utes, Hispanic and Anglos. Today the town serves as a supply center for the surrounding reservation and ranches and is a crossroads for the gas and oil industry. The Southern Ute Tribal Headquarters is located just north of the town limits and provides administration and services to tribal members.

**Employment and Income** - The composition of the economy supports a low unemployment rate although seasonal fluctuations are generally seen in the winter months. The unemployment rate was up in 2002, a trend seen state-wide (5.7%) as well as nation-wide (5.9%).

Labor Force 1998-2002					
LA PLATA	1998	1999	2000	2001	2002
Unemployed	1,262	926	917	898	1,143
Employed	23,318	23,249	23,487	23,174	24,699
Total Labor Force	24,580	24,175	24,404	24,072	25,842
Unemploy. Rate	5.1%	3.8%	3.8%	3.7%	4
State Unemploy. Rate	3.8%	2.9%	2.7%	3.7%	6

Source: Colorado Dept of Labor

The U.S. Census Bureau estimates that in 2000 there were 1,267 people commuting out of the county for work, primarily out of state (876) and to Montezuma (134) and Archuleta Counties (110). In contrast 2,331 people were commuting in for work, primarily from out of state (1,195); Montezuma County (619) and Archuleta County (248). A Four Corners Regional transit system might help to alleviate impacts to roadways given the high number of commuters.

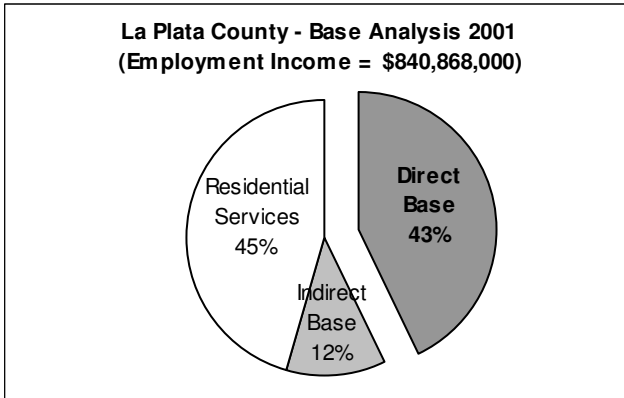
Wage and employment information can be used to measure the strength of the various economic sectors. The ratio of earnings to employment indicate which sectors are high earning sectors, on average, compared to those sectors which generate lower earnings, as seen in the following table.



La Plata County 2001 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.	avg. annual wage *
Agriculture	1,855	6%	\$ 13,592	2%	\$ 19,518
Mining	380	1%	\$ 25,621	3%	\$ 55,436
Construction	2,947	10%	\$ 107,122	13%	\$ 30,702
Manufacturing	959	3%	\$ 25,962	3%	\$ 24,489
T,C & PU	973	3%	\$ 43,351	5%	\$ 38,743
Trade	6,944	23%	\$ 130,973	16%	\$ 34,004
F,I & RE	1,514	5%	\$ 58,405	7%	\$ 35,518
Services	10,619	35%	\$ 291,500	35%	\$ 26,440
Government	4,429	14%	\$ 144,342	17%	\$ 30,932
Total	30,620	100%	\$ 840,868	100%	\$ 26,374

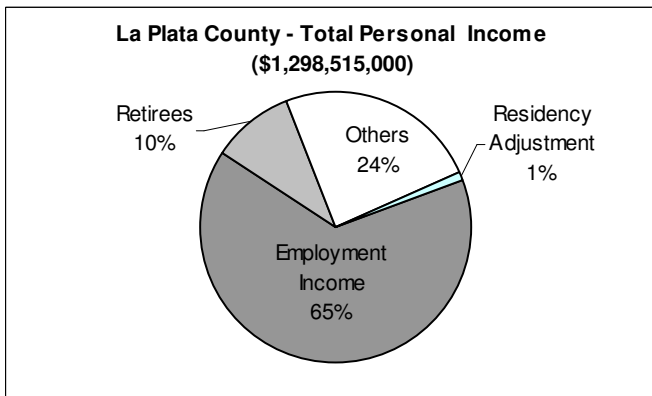
\*avg wage for Wholesale Trade is \$34,004; Retail is \$16,299  
From BEA & ES 202-includes proprietor income

**Base Analysis** - Base analysis distinguishes which industries and factors are basic in the economy, and are responsible for overall growth and change. See the **Glossary** for a more detailed discussion of the individual components.



In 2001, about \$358.6 million (43%) came into La Plata as new dollars being drawn into the local economy through **direct base** jobs in industries such as services and trade. **Indirect base** (supporting) jobs accounted for another \$99.6 million (12%). **Residential services** provided job income of about \$382.5 million (45%) in the local economy.

**Total Personal Income (TPI)** - TPI is the sum of all income accruing to residents from various sources. Components include employment income, transfer payments, dividends, interest and rent, and residency adjustments. See the **Glossary** for a more detailed discussion of the individual components.



Retired persons collect benefits that account for 10% (\$129,263,000) of TPI in La Plata County. Retirees make significant contributions to the economy by purchasing goods and services with income from outside sources (i.e. transfer payments), bringing "new" money to circulate in the local economy. This new money also creates employment opportunities. The amenities that follow these individuals - higher end housing, fine restaurants, country clubs, and increased shopping opportunities- are on the rise.

**Retail Sales**

La Plata - 2001 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Agric., Forestry & Fisheries	\$ 7,637,000	0.8%
Construction	\$ 33,947,000	3.3%
Manufacturing	\$ 34,757,000	3.4%
Transp. & Public Utilities	\$ 71,202,000	7.0%
Wholesale Trade	\$ 53,670,000	5.3%
Finance, Ins. & Real Estate	\$ 7,409,000	0.7%
Services-Not Lodging	\$ 142,379,000	14.0%
Lodging	\$ 46,138,000	4.5%
Retail Trade	\$ 614,240,000	60.5%
Mining	\$ 3,542,000	0.3%
Other*	\$ 334,000	0.03%
<b>Total</b>	<b>\$ 1,015,255,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

Retail trade is the strongest sales sector, followed by services (not lodging). These are also the strongest employment sectors. In 2001 there were \$1,015,255,000 total sales, up 4% from 2000.

La Plata - 2001 Retail Trade		
Industry	\$ Sales	% Total
Food	\$ 82,516,000	13.4%
Furniture	\$ 34,929,000	5.7%
Eat/Drink	\$ 61,449,000	10.0%
Other*	\$ 104,886,000	17.1%
Gen. Merchandise	\$ 100,885,000	16.4%
Apparel	\$ 15,230,000	2.5%
Automotive	\$ 154,134,000	25.1%
Building	\$ 60,211,000	9.8%
<b>Total</b>	<b>\$ 614,240,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

Within the Retail Trade sector automotive sales is the strongest sector, followed by general merchandise sales. In 2001 there were \$614,240,000 total retail trade sales; up 3.7% from 2000.

## MONTEZUMA COUNTY

Montezuma County is comprised of 1,333,888 acres (2,084sq. miles). Of these, 30% are private lands, 33% are tribal (Ute Mountain Ute), and 37% are state and federal lands. The most fundamental issues addressed by the Montezuma County Comprehensive Plan involve the protection of private property rights and the protection of private property values. The county's Landowner Initiated Zoning Code (LIZ) applies to owners of property outside incorporated areas. The Town of Mancos has its own Land Use Code and Comprehensive Plan. The same is true for the Town of Dolores, and the City of Cortez

**Population** - In 2000 the county's population was 23,830. Population estimates for 2001 (23,999) and 2002 (24,282) are also available at the county level. According to the 2000 Census the median age was 38. Males comprised 49% and females comprised 51% of the total population. The average household size was 2.54 people.

From 1998 to 2002 Montezuma County as a whole has seen slow but steady population growth, with a 1% average annual change. The Town of Mancos has seen the most growth (3.4%) during this time period. Unincorporated areas of the county include the Ute Mountain Utes Tribal population.

	Estimates		Census 2000	Estimates		Avg Annual % Change 1998-2002
	1998	1999		2001	2002	
Montezuma	23,117	23,524	23,830	23,999	24,282	1.0%
Cortez	7,844	7,920	7,977	8,081	8,260	1.1%
Dolores	863	860	857	866	871	0.2%
Mancos	978	1,060	1,119	1,131	1,146	3.4%
Unincorporated	13,432	13,684	13,877	13,921	14,005	0.9%

Source: Colorado Demography Section estimates (draft 6-03)

The rate of growth is projected to decrease over the next 20 years; however the population is projected to be at 36,506 people by 2020.

Montezuma	2000	2005	2010	2015	2020
Population	23,864	25,546	28,182	31,178	34,273
Avg. Ann. % Change		1.4%	2.0%	2.0%	1.9%

2000 estimates from the Demography Section (draft 6-03)

reflect adjustments to Census data at the county level

**Housing** - In 2001 there were 10,538 housing units. Of these, 88% were occupied and 12% were vacant. In 2001 only about 29% of families would be able to purchase a median priced home of \$219,000 in rural Montezuma County. In Cortez, about 69% of families would be able to purchase a median priced home of \$95,815. In Dolores about 57% of families would be able to purchase a median priced home of \$132,275. In Mancos about 63% of families would be able to purchase a median priced home \$112,500 [Source: Operation Healthy Communities].

**Livable Wages** - Operation Healthy Communities (OHC) has determined that in 2000 a minimum of \$7.96/hr provided a livable wage in Cortez, \$8.03/hr in Dolores, and \$7.96 in Mancos, if you were a single person renting a one bedroom apartment. The median family income was estimated at \$37,266 in 2000; and \$37,400 in 2001 [Source: Housing and Urban Development].

**Economic Trends** - Historically, Montezuma County developed as a result of providing mining towns in the San Juan Mountains with supplies. The extensive timber resources in the Dolores area were harvested to supply mine timbers and building lumber. The Town of Mancos built up around cattle raised to feed the mining communities. The lower elevations of the Montezuma Valley supplied agricultural products, with the City of Cortez developing as a center due to the creation of the Montezuma Valley Irrigation Company.

By the turn of the 20th century the mining boom had played out and the remaining settlers turned to subsistence agriculture and the export of agricultural and timber products. In the 1980's, the construction of McPhee Reservoir (the Dolores Project) and its extensive irrigation systems allowed increased agricultural production and enhanced recreational opportunities for locals and tourists.

**Employment and Income** - The composition of the economy supports a low unemployment rate although seasonal fluctuations are generally seen in the winter months. The unemployment rate went up in 2002, a trend seen state-wide (5.7%) and nationwide (5.9%).

Labor Force 1998-2002					
MONTEZUMA	1998	1999	2000	2001	2002
Unemployed	799	583	615	556	696
Employed	10,777	11,251	10,957	10,941	11,140
Total Labor Force	11,576	11,834	11,572	11,497	11,836
Unemploy. Rate	6.9%	4.9%	5.3%	4.8%	5.9%
State Unemploy. Rate	3.8%	2.9%	2.7%	3.7%	5.7%

Source: Colorado Dept of Labor

The U.S. Census Bureau estimates that in 2000 there were 1,503 people commuting out of the county for work - with the greatest number of workers going to La Plata County; and 668 people commuting in to the county for work - primarily from Dolores County.

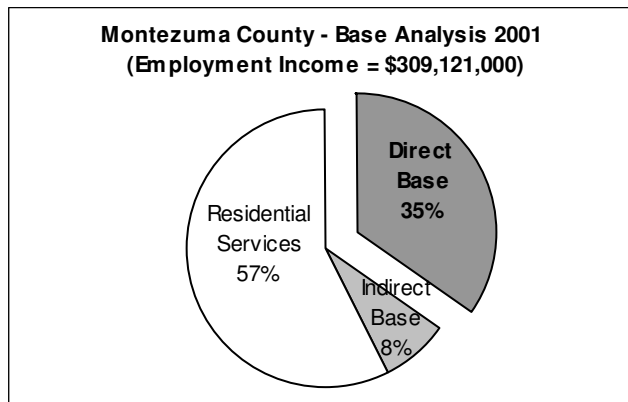
The ratio of earnings to employment indicate which sectors are high earning sectors, on average, compared to those sectors which generate lower earnings. The importance of agriculture in Montezuma County is not adequately reflected in these employment data. There is an emphasis on agricultural viability in the *Montezuma County Comprehensive Plan*, although more work needs to be done to develop a complete picture of the economic status of agriculture. Total employment and employment income are shown in the following table.

Montezuma County 2001 Total Employment	# of Jobs	% of Jobs	Income (ooo)	% of Inc.	avg. annual wage *
Agricultural Products&Services	1,082	8%	\$ 2,118	1%	\$ 17,545
Mining	176	1%	\$ 5,115	2%	\$ 36,339
Construction	1,184	9%	\$ 49,524	16%	\$ 30,475
Manufacturing	564	4%	\$ 12,783	4%	\$ 24,700
Trans, Com & Public Utilities	385	3%	\$ 27,424	9%	\$ 34,742
<sup>1</sup> Wholesale & <sup>2</sup> Retail Trade	2,776	22%	\$ 48,689	16%	**
Finance, Insurance & Real Estate	493	4%	\$ 14,124	5%	\$ 28,408
Services	3,379	26%	\$ 83,827	27%	\$ 19,827
Government	2,810	22%	\$ 65,516	21%	\$ 25,898
<b>Total</b>	<b>12,849</b>	<b>100%</b>	<b>\$309,120</b>	<b>100%</b>	

Source: Colorado Demography Section 4/03

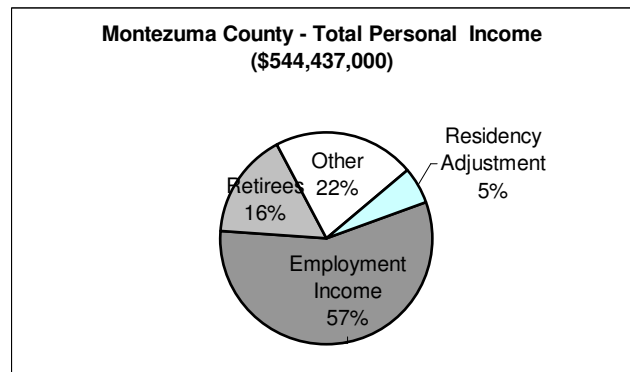
\*\* <sup>1</sup> Wholesale \$26,408; <sup>2</sup> Retail Trade \$15,687; avg wage info from Colo. Labor Market Information

**Base Analysis** - Base analysis distinguishes which industries and factors are basic in the economy, and are responsible for overall growth and change. See the **Glossary** for a more detailed discussion of the individual components.



In 2001, about \$107.6 million (35%) came into Montezuma County as new dollars being drawn into the local economy through **direct base** jobs in government, services, and retail trade. Direct base jobs relating to tourism, including those in construction and real estate, accounted for 13% (1,650) of total employment and 11% (\$33,071,000) of total employment income. **Indirect base** (supporting) industries accounted for another \$23.8 million (8%). **Residential services** provided about \$177.6 million (57%) in the local economy.

**Total Personal Income (TPI)** - TPI is the sum of all income accruing to residents from various sources. Components include employment income, transfer payments, dividends, interest and rent, and residency adjustments. See the **Glossary** for a more detailed discussion of the individual components. The largest proportion (57%) of TPI is generated through employment earnings (\$309,121,000). The "other" category (22%) includes transfer payments; and dividends, interest and rent (\$117,920,000). Retired persons collect benefits that account for 16% (\$87,216,000) of TPI in Montezuma County. Retirees make significant contributions to the economy by purchasing goods and services with income from outside sources (i.e. transfer payments), bringing "new" money to circulate in the local economy. This new money also creates employment opportunities.



## Retail Sales

Montezuma - 2001 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Construction	\$ 13,925,000	3.4%
Manufacturing	\$ 11,436,000	2.8%
Transp. & Public Utilities	\$ 32,362,000	8.0%
Wholesale Trade	\$ 15,121,000	3.7%
Finance, Ins. & Real Estate	\$ 1,422,000	0.3%
Services-Not Lodging	\$ 29,157,000	7.2%
Lodging	\$ 10,719,000	2.6%
Retail Trade	\$ 288,549,000	70.9%
Mining	\$ 2,450,000	0.6%
Other*	\$ 1,771,000	0.4%
<b>Total</b>	<b>\$ 406,912,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

Retail trade is the strongest sales sector, followed by services (not lodging). These are also the strongest employment sectors. In 2001 there were \$406,912,000 total sales, up 4.3% from 2000.

Montezuma - 2001 Retail Trade		
Industry	\$ Sales	% Total
Food	\$ 43,661,000	15.1%
Furniture	\$ 6,640,000	2.3%
Eat/Drink	\$ 23,663,000	8.2%
Other*	\$ 105,052,000	36.4%
Apparel	\$ 2,656,000	0.9%
Automotive	\$ 83,867,000	29.1%
Building	\$ 23,010,000	8.0%
<b>Total</b>	<b>\$ 288,549,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

Within the Retail Trade sector automotive sales is the strongest sector, followed by food sales. In 2001 there were \$288,549,000 total retail trade sales; up 3.2% from 2000.

## SAN JUAN COUNTY

San Juan County is comprised of 250,880 acres (392 sq. miles). Of these, 12% are private lands and 88% are state and federal lands. Community development issues include economic development that will diversify and expand local economic sectors, retention and enhancement of the town's historical character and traditional values, the provision of community services and facilities, and the preservation of the ecological and aesthetic qualities of the area. Silverton Mountain, a ski enterprise that currently provides winter recreation on private lands, is awaiting BLM approval to expand its operations to adjacent public lands. These types of development serve to expand the local economy into the winter season.

**Population** - In 2000 the county's population was 558. According to the 2000 Census the median age was 43.7. Males comprised 52.5% and females comprised 47.5 of the total population.

The population of San Juan County peaked at about 5,000 in 1910. Since that time the population has followed the boom and bust cycles that are characteristic of mining communities, fluctuating between 750 and 1,000 people from 1960 until the last working mine closed in 1991. There has also been an influx of seasonal/summer residents, who purchase 2<sup>nd</sup> homes in the area in order to enjoy the rural amenities of life in the high country. This phenomenon, known as "amenity migration", has produced wide -ranging economic impacts on the community.

	Estimates		Census	Estimates		Avg Annual % Change 1998-2002
	1998	1999	2000	2001	2002	
San Juan	555	557	558	560	565	0.4%
Silverton	532	532	531	533	538	0.2%
Unincorporated	23	25	27	27	27	3.5%

Source: Colorado Demography Section estimates (draft 6-03)

This slow growth trend may be reversed if proposed expansion at the Durango Mountain Resort (formerly Purgatory Ski Resort) is implemented. The proposal calls for 1,649 new units, and commercial development straddling the La Plata/San Juan County line. The proposal has met with preliminary approval from commissioners in each county.

San Juan	2000	2005	2010	2015	2020
Population	558	576	600	623	645
Avg. Ann. % Change		0.6%	0.8%	0.8%	0.7%

2000 estimates from the Demography Section (draft 6-03)  
reflect adjustments to Census data at the county level

**Housing** - According to the Demography Section in 2001 there were 637 housing units. Of these 42% were occupied and 58% were vacant. In 2001 about 70% of families would be able to purchase a median priced home of \$97,500 in San Juan County [Source: Operation Healthy Communities].

**Livable Wages** - Operation Healthy Communities (OHC) has determined that in 2001 a minimum of \$8.58/hr provided a livable wage in Silverton, if you were a single person renting a one bedroom apartment. The median family income was estimated at \$39,900 [Source: Housing and Urban Development].

**Economic Trends** - The discovery of gold in the county by Charles Baker in 1860 was followed by a late breaking gold rush in the 1870's. After the signing of the Brunot Treaty with the Ute Indians in 1874 the Town of Silverton was established, it remains the only community in San Juan County. The Denver and Rio Grand Railroad reached Silverton from Durango in 1882, allowing for the movement of large quantities of supplies and the transport of ore to the smelter in Durango. With the dedication of the "Million Dollar Highway" in July of 1924 the transportation of gold, silver, lead, copper and zinc moved from the narrow gauge train to Highway 550 which connects Silverton to Montrose and to Durango. Beginning in the late 1950's the rail line that had carried ore down to Durango began instead to carry tourists up from Durango to enjoy the spectacular scenery and the heritage that has made Silverton a National Registered Historic Landmark. At the present time San Juan County has become almost entirely dependent upon tourism, primarily during the summer months when the train is running. Visitors by train are supplemented by people who come to Silverton via Highway 550, which is part of the "San Juan Skyway," one of the premier scenic by-ways in the United States.

**Employment and Income** - The composition of the economy supports a low unemployment rate although seasonal fluctuations are generally seen in the winter months. The unemployment rate went up in 2002, a trend seen state-wide (5.7%) and nation-wide (5.9%).

Labor Force 1998-2002					
SAN JUAN	1998	1999	2000	2001	2002
Unemployed	46	33	34	45	57
Employed	242	249	238	233	216
Total Labor Force	288	282	272	278	273
Unemploy. Rate	16.0%	11.7%	12.5%	16.2%	20.9%
State Unemploy. Rate	3.8%	2.9%	2.7%	3.7%	5.7%

Source: Colorado Dept of Labor

The U.S. Census Bureau estimates that in 2000 there were 73 people commuting out of the county for work – with the greatest number of workers going to La Plata County (47). There were also 47 people commuting in to the county for work, primarily from La Plata County (20).

The ratio of earnings to employment indicate which sectors are high earning sectors, on average, compared to those sectors which generate lower earnings. Total employment and employment income are shown in the following table.

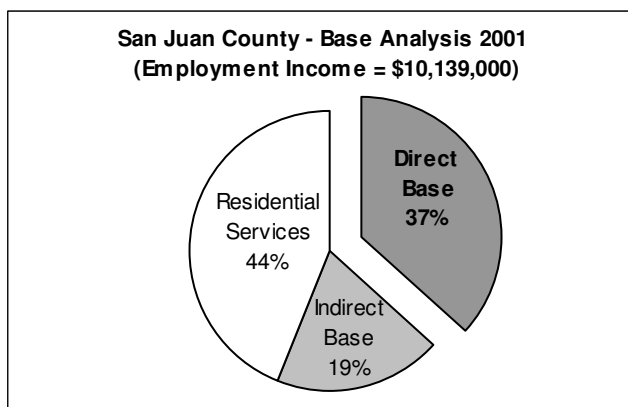
San Juan County 2001 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.	avg. annual wage *
Agriculture	-	0%	\$ 80	0%	\$ -
Mining	-	0%	\$ 979	10%	\$ -
Construction	13	4%	\$ 501	5%	\$ 25,070
Manufacturing	7	2%	\$ 199	2%	\$ -
T,C & PU	17	5%	\$ 1,026	10%	\$ 37,772
Trade	131	40%	\$ 2,607	26%	\$ 13,432
F,I & RE	57	17%	\$ 891	9%	D
Services	28	8%	\$ 1,341	13%	\$ 14,662
Government	77	23%	\$ 2,513	25%	\$ 25,130
Total	330	100%	\$ 10,137	99%	\$ 19,625

D= non-disclosure

\*avg wage for Wholesale Trade is \$ 0; Retail is \$13,432

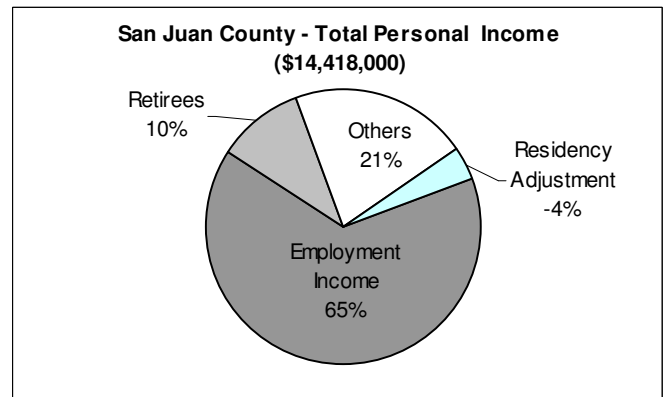
From BEA & ES 202-includes proprietor income

**Base Analysis** - Base analysis distinguishes which industries and factors are basic in the economy, and are responsible for overall growth and change. See the **Glossary** for a more detailed discussion of the individual components.



In 2001, about \$3.7 million (37%) came into San Juan County as new dollars being drawn into the local economy through **direct base** jobs. Direct base jobs relating to tourism, including those in construction and real estate, accounted for 25% (83) of total employment and 20% (\$2,093,000) of total employment income. **Indirect base** (supporting) industries accounted for another \$1.9 million (19%). **Residential services** provided about \$4.5 million (44%) in the local economy.

**Total Personal Income (TPI)** - TPI is the sum of all income accruing to residents from various sources. Components include employment income, transfer payments, dividends, interest and rent, and residency adjustments. See the **Glossary** for a more detailed discussion of the individual components. The largest proportion (65%) of TPI is generated through employment earnings (\$10,138,000). The "other" category (21%) includes transfer payments; and dividends, interest and rent (\$3,315,000). The negative (-4%) residency adjustment indicate that more people were commuting into the county for employment than were commuting out for employment in 2001, contradictory to Census information for 2000. Retired persons collect benefits that account for 10% (\$1,577,000) of TPI in San Juan County.



### Retail Sales

San Juan - 2001 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Transp. & Public Utilities	\$ 1,222,000	8.1%
Mining	\$ 440,000	2.9%
Construction	\$ 62,000	0.4%
Finance, Ins. & Real Estate	\$ 122,000	0.8%
Services-Not Lodging	\$ 1,471,000	9.7%
Wholesale Trade	\$ 52,000	0.3%
Retail Trade	\$ 9,114,000	60.2%
Other*	\$ 2,646,000	17.5%
<b>Total</b>	<b>\$ 15,129,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

In 2001 there were \$15,129,000 total sales, down 0.6% from 2000. Retail trade is the strongest sales sector, followed by services (not lodging).

San Juan - 2001 Retail Trade		
Industry	\$ Sales	% Total
Food	\$ 1,024,000	11.2%
Apparel	\$ 581,000	6.4%
Furniture	\$ 36,000	0.4%
Eat/Drink	\$ 2,969,000	32.6%
Gen. Merch.	\$ 617,000	6.8%
Auto	\$ 879,000	9.6%
Other*	\$ 3,008,000	33.00%
<b>Total</b>	<b>\$ 9,114,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed at the county level. Source: CO Dept. of Revenue

In 2001 there were \$9,114,000 total retail trade sales, down 5.3% from 2000. Within the Retail Trade sector eating/drinking sales is the strongest sector, followed by food sales.

## TRIBAL POPULATIONS

**History-** The planning and management area of Region 9 includes two Indian reservations, the Southern Ute and the Ute Mountain Ute Indian Tribes. Historically, the Utes roamed throughout Colorado, Utah and New Mexico in a hunter-gatherer society. As a result of the formation of bands in the historic period, there were several distinct Ute subdivisions in Colorado. The White River Utes ranged across Northern Colorado. The Tabeguache or Uncompahgre Utes lived in the central mountains of Colorado, including the area of South Park, the Gunnison and Uncompahgre Valleys.

The Southern Ute divisions were the Muache, Capote and Weminuche. The Muache lived in the mountains of the Colorado Front Range. The Capote occupied the area between the Sangre De Cristo Mountains on the east and the continental divide on the west. The Weminuche were located west of the Continental Divide and north of the San Juan River, which generally marked their boundaries with the Navajos. Their normal territory extended westward to the Blue Mountains and Canyonlands of Southeast Utah.

In the last half of the 1800's the land base of the Ute peoples was continually decreased by intrusion from Anglo-American culture. Through a series of treaties with the U.S. Government (1849, 1855, 1863, 1868, 1873) the traditional land base continued to shrink. During the 1870's Colorado continued to seek further reductions to the Ute Reservation, and the 1879 Meeker Massacre, which involved the White River Utes, provided the opportunity to remove both the White River and Tabeguache Utes to Utah. Efforts were made in 1880 to restrict the Southern Utes Bands (the Muache, Capote and Weminuche) to a small area in the La Plata Valley.

In 1887 Congress passed the General Allotment Act (Dawes Act), which provided for the allotment of 160 acres to adult male Indians. It was believed that land ownership would accelerate the process of "civilizing" the Indians. The subsequent Act of 1895 provided that the Southern Utes should vote on the issue of land allotment. A slim majority decided the issue, and by 1896 approximately 73,000 acres had been allotted to 371 Utes. As a result of the 1895 Act, the reservation was broken into two distinct units. Most of the Muache and Capote Utes accepted allotments in the eastern portion, which became known as the Southern Ute Reservation with agency headquarters at Ignacio. The Weminuche Utes, led by Chief Ignacio, refused to accept allotment and moved to the western portion, which became known as the Ute Mountain Ute Reservation with agency headquarters at Navajo Springs, and later at Towaoc.

**Ute Mountain Utes-**The Ute Mountain Ute Reservation land is located in Southwest Colorado and Northern New Mexico and covers 553,008 acres (993sq. miles) held in trust by the US Government. Tribal headquarters are in Towaoc, which

lies southeast of Cortez in Montezuma County. The White Mesa community of the Tribe lives in San Juan County Utah, where most of the housing is on tribal lands. The majority of the lands (8,499 acres) there are allotted to tribal members and laid out in a checkerboard pattern. Tribal lands held in trust within this area cover 2,597 acres. The Tribe also holds fee patent title to 41,112 acres of land in Utah and Colorado.

The tribal enrollment in 2002 was 2,012 with the majority of the members living on the reservation in Towaoc and in the White Mesa Community. The tribal census shows the largest part of the membership are in their early twenties and younger.

The Colorado Ute Water Settlement Act of 1988, mandated within the Dolores Project (McPhee Reservoir), brought drinking and irrigation water to the reservation and expanded farming and ranching capabilities. The Weminuche Construction Authority has become one of the most successful and largest construction companies in the Four Corners area. Other tribal resources include income from oil and gas wells and tribal enterprises that revolve around tourism, including a gambling casino, a RV Park, an archaeological park, and a pottery factory. In 2002 the tribe employed 1,133 people in its enterprises and various governmental departments. The Ute Mountain Ute Tribe is a major contributor to the regional economy and has prepared a *Ute Mountain Ute Tribe Comprehensive Economic Development Strategy* (June 2002).

**Southern Utes -**The Southern Ute Reservation encompasses an area of over 750,000 acres in La Plata and Archuleta Counties. Tribal headquarters are located adjacent to the Town of Ignacio. The tribal enrollment in 2000 was 1,305 with the majority of the members living on the reservation in La Plata County. The tribal census shows the largest part of the membership are in their early twenties and younger.

Natural resources on the reservation include extensive gas reserves, coal, timber, and water for agriculture. These resources provide the basis for the establishment of a diversified tribal economic base. Tribal energy resources, particularly in the form of natural gas, have played the largest role in the reservation economy over the past decade (more than 90% of tribal revenues came from energy resource development in 1998).

The reservation's proximity to Durango and the many tourist destinations in Southwest Colorado provide unique opportunities for tourism development. The reservation land base includes seven major rivers, the Navajo State Park, Lake Capote, and, most importantly among other tribal enterprises, the Sky Ute Casino and Motel. Tourist attractions are casino gaming, cultural tours, fishing, hunting, and the Tribal Cultural Center and Museum. These enterprises all play a role in diversifying the overall economy. The Southern Ute Tribe employs over a thousand people and is a major contributor to the regional economy.

## GLOSSARY OF KEY TERMS AND CONCEPTS

**Amenity Migration** - Newcomers are moving in to take advantage of the area's unique natural resources, quality of life, and other amenities that the region offers. Many of these newcomers are retirees or 2<sup>nd</sup> home- owners that bring along their pensions and other retirement benefits. This "new" money affects the local economy (primarily in the construction and real estate sectors) as it is spent on new homes and goods and services.

**Base Analysis** - distinguishes which industries and factors are **basic** to the economy, and are responsible for overall growth and change.

- **Direct base** activities produce exports or derive their sales or income from outside sources. These activities **bring in outside dollars** to circulate within the local economy. These industries include agriculture, mining, manufacturing, national and regional services, state and federal government jobs, and tourism.
- **Indirect base** activities provide supplies or services to basic industries, and generally **re-circulate dollars** within the local economy. One example would be the local agricultural co-op that provides seeds, fertilizers and fuel to area farmers.
- **Local resident services** provide services to local residents and also **re-circulate dollars** within the local economy. Resident services include the industries that take care of the local community, such as health services, education and employment at the local grocery store.

**Per Capita Personal Income (PCPI)** - All income in a region is added together (Total Personal Income), and then divided by the number of residents.

**Population**- Census data is collected every 10 years (i.e. 1980, 1990) so are considered actual counts of people within a region or county. The years in between are estimates made by the State Demographers office. Projections are made using an assumed growth rate to predict future growth.

**Sector Analysis**- Jobs are grouped according to types known as Standard Industrial Codes (SIC). The larger groups include: 1) Agricultural products and services, 2) Mining, 3) Construction, 4) Manufacturing, 5) Transportation, Communications & Public Utilities, 6) Wholesale & Retail Trade, 7) Finance, Insurance & Real Estate, 8) Services, and 9) Government. Each of these sectors is broken into subgroups for further definition of job type. Sector analysis comes from the comparison of the various groups by number of jobs, amount of income, and average wage.

**Total Employment**- Includes estimated employment from wages, salaries and proprietors income.

**Total Personal Income (TPI) - All sources of income is added together.**

- **Transfer payments** consist primarily of retirement and disability benefit payments, medical payments (i.e. Medicare and Medicaid), income maintenance benefits, unemployment insurance, veterans benefits and payments to nonprofit institutions.
- **Dividends, Interest & Rent** - Dividend income is that paid in cash and in other assets to stockholders who are residents of an area by corporations in the U.S. or abroad. Interest income consists of monies received from money market mutual funds and interest from other sources. Rental income consists of income from the rental of real property, the imputed net income of owner-occupants of non-farm dwellings, and the royalties received from patents, copyrights, and from the rights to natural resources.
- **Residency adjustments** are made when a person receives income for work performed and paid for from outside their place of residency, i.e. commuters. Negative numbers (as in the case for San Juan County) indicate that more people are commuting into the county for employment than are commuting out for employment.
- **Employment earnings** are derived from employment within the region.

## USEFUL CONTACTS

### Economic Development Organizations

Region 9 Economic Development District  
Ed Morlan - Executive Director  
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Phone (970) 247-9621; Fax (970) 247-9513  
<http://www.scan.org>

Archuleta Economic Development Association  
P.O. Box 1183  
Pagosa Springs, CO 81147  
Phone (970) 264-4722

Mesa Verde Country Economic Development  
Bruce Johnson  
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Cortez, CO 81321  
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San Juan 2000 Development Association  
Anthony Edwards  
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Ute Mountain Ute Indian Tribe  
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La Plata Economic Development Action Partnership  
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### Chambers of Commerce

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