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# Region 9 Report-2002

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May 2002

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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 has grown 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 the face of decreasing property tax revenues resulting from projected declines in oil and gas production (as resources are depleted).

Historically industries such as mining, agriculture and forestry formed the 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 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 income and employment generated from tourism.

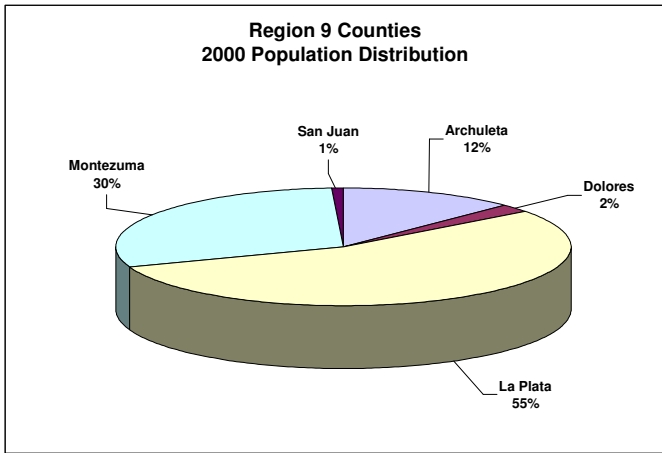
Economic diversification is a high priority for Region 9. Local and regional economies need to develop more diversity to improve the number, quality and variety of jobs that are available to local residents. Infrastructure improvements such as advanced telecommunications, the development of industrial 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** - Unfortunately, the release of economic information from the Bureau of Economic Analysis (BEA) is always about two years behind the current year, and a great deal of Census 2000 data is not yet available for our area. This *Report* revision is based on available data, using 2000 as a benchmark. Keep in mind that many of the numbers are estimates and subject to change.

The Demography Section - Colorado Division of Local Government (CDLG) is 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. The Demography Section also provided employment and income projections using 2000 data from the Colorado Department of Labor (ES202) and information from the BEA. Please note that there are some limitations with using BEA data to establish agricultural employment income. Other sources are noted in text.

## REGION 9 OVERVIEW

**Population** - Of the 80,071 people living in Region 9 in 2000 more than half resided in La Plata County, followed by Montezuma, Archuleta, Dolores, and San Juan Counties.



In 2000 the largest municipality in Region 9 was the City of Durango in La Plata County (13,922); followed by the City of Cortez in Montezuma County (7,977); and the Town of Pagosa Springs in Archuleta County (1,591). The smallest population center is the Town of Rico (205) in Dolores County.

A look at the annual average population change for each county gives a historical perspective of growth and decline in the region from 1970 to 2000.

County	Avg. Annual % Change		
	1970-80	1980-90	1990-00
Archuleta	3.4%	4.6%	6.4%
Dolores	0.1%	-0.9%	2.1%
La Plata	4.2%	1.9%	3.1%
Montezuma	2.7%	1.4%	2.5%
San Juan	0.02%	-1.1%	-2.9%
<b>Region 9</b>	<b>3.30%</b>	<b>1.8%</b>	<b>3.6%</b>

The regional population will continue to grow, but at a slower rate, based on forecasts by the Center for Business & Economic Forecasting (2002).

Region 9	2000	2005	2010	2015	2020
Population	80,071	91,636	102,630	112,613	121,593
Avg. Ann. % Change		2.9%	2.4%	1.9%	1.6%

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.

**Employment and Income** - In keeping with population growth, the Region 9 labor force grew by about 2,438 workers (6.2%) from 1996 to 2000. Although the unemployment rate in the region is declining, it is still greater than the statewide average (2.7% in 2000).

Labor Force 1996-2000					
REGION 9	1996	1997	1998	1999	2000
Unemployed	2,239	2,106	2,419	1,776	1,800
Employed	37,054	37,711	38,959	39,796	39,931
Total Labor Force	39,293	39,817	41,378	41,572	41,731
Unemploy. Rate	5.7%	5.3%	5.8%	4.3%	4.3%
State Unemploy. Rate	4.2%	3.3%	3.8%	2.9%	2.7%

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 2000 estimates made by the Demography Section (CDLG) that include proprietors and self-employment as well as wage earners. Please note that income figures are presented in thousands of dollars.

Region 9 2000 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.
Agribusiness	3,710	5%	\$ 13,342	1%
Mining	496	1%	\$ 26,492	2%
Construction	5,992	12%	\$ 164,360	15%
Manufacturing	1,726	4%	\$ 45,097	4%
T,C & PU	1,525	3%	\$ 81,242	6%
Trade	11,668	25%	\$ 209,486	18%
F,I & RE	3,456	4%	\$ 84,101	6%
Services	16,355	33%	\$ 360,979	31%
Government	6,724	12%	\$ 219,674	17%
<b>Total</b>	<b>50,240</b>	<b>100%</b>	<b>\$ 1,204,774</b>	<b>100%</b>

In 2000 the largest employment sector was the service industry (33%), which also provided the most employment income (31%). This figure reflects the dependency of the Region on tourism as a primary economic force.

Employment (25%) and employment income (18%) in the wholesale/retail trade sector are also important in the regional economy.

**Retail Sales** - Retail sales in Region 9 totaled more than 1.5 billion dollars in 2000. The strongest sector was in retail trade, which accounted for 64% of the total. Services (not including lodging) was also a strong sector, providing about 10% of the total.

2000 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Agric., Forestry & Fisheries	\$7,638,000	0.5%
Mining	\$2,326,000	0.1%
Construction	\$67,093,000	4.3%
Manufacturing	\$62,637,000	4.0%
Transp. & Public Utilities	\$114,507,000	7.3%
Wholesale Trade	\$66,075,000	4.2%
Finance, Ins. & Real Estate	\$9,235,000	0.6%
Services-Not Lodging	\$161,997,000	10.3%
Lodging	\$66,759,000	4.2%
Retail Trade	\$1,009,265,000	64.0%
Other*	\$8,295,000	0.5%
<b>Total</b>	<b>\$ 1,575,827,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed  
Source:CO Dept. of Revenue (April 2002)

Retail trade includes a variety of industries, as shown below. Automotive retail trade was the largest sector, accounting for almost 23% of the total, followed by general merchandise (16.8%) and food sales (16%).

2000 Retail Trade		
Industry	\$ Sales	% Total
Food	\$ 161,243,000	16.0%
Furniture	\$ 52,005,000	5.2%
Eat/Drink	\$ 102,195,000	10.1%
Misc. Retail	\$ 127,241,000	12.6%
Gen. Merchandise	\$ 169,698,000	16.8%
Apparel	\$ 16,910,000	1.7%
Automotive	\$ 230,495,000	22.8%
Building	\$ 109,769,000	10.9%
Other*	\$ 39,709,000	3.9%
<b>Total</b>	<b>\$ 1,009,265,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed  
Source:CO Dept. of Revenue (April 2002)

**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.

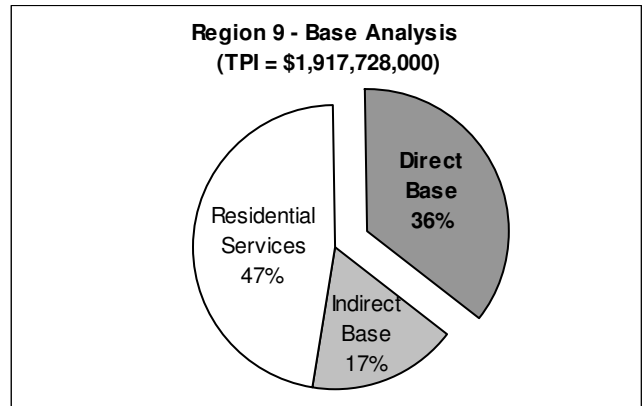
Total Personal Income by County						
County	Employment Income	Transfer Payments	Div., Int & Rent	Residency Adjustment	Total (\$000)	% of Total
Archuleta	\$ 105,753	\$ 29,573	\$ 53,759	\$ 323	\$ 189,408	10%
Dolores	\$ 18,414	\$ 7,024	\$ 7,163	\$ 305	\$ 32,905	2%
La Plata	\$ 781,202	\$ 112,321	\$ 314,819	\$ 1,207	\$ 1,209,549	63%
Montezuma	\$ 291,105	\$ 74,448	\$ 105,629	\$ 2,090	\$ 473,272	25%
San Juan	\$ 8,516	\$ 1,641	\$ 2,478	\$ (42)	\$ 12,594	1%
Total (\$000)	\$ 1,204,991	\$ 225,007	\$ 483,848	\$ 3,883	\$ 1,917,728	100%
% of Total	63%	12%	25%	0.2%	100%	

Source: Estimates provided by the Colorado Demography Section (April 02)

**Per Capita Personal Income (PCPI)** - All income in a region is added together (TPI), and then divided by the number of residents. The Bureau of Economic Analysis (BEA) has not yet released 2000 figures, but estimations are made here given available data.

	2000 TPI	2000 Population	Per Capita Income
Archuleta	\$ 189,408,000	9,898	\$ 19,136
Dolores	\$ 32,905,000	1,844	\$ 17,844
La Plata	\$ 1,209,549,000	43,941	\$ 27,527
Montezuma	\$ 473,272,000	23,830	\$ 19,860
San Juan	\$ 12,594,000	558	\$ 22,570
<b>Region 9</b>	<b>\$ 1,917,728,000</b>	<b>80,071</b>	<b>\$ 23,950</b>

**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.



About \$690 million (36%) comes into our region as new dollars being drawn into the local economy through **direct base** industries such as regional goods and services (i.e. tourism and agriculture) as well as government payments to retirees and others. **Indirect base** (supporting) industries account for another \$326 million (17%). **Residential services** provide about \$901 million (47%) in the regional economy.

## 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 1996 to 2000. These population figures, however, do not reflect the large number of seasonal residents in this area.

	Estimates				Census 2000	Avg Annual % Change 1996-2000*
	1996	1997	1998	1999		
Archuleta	7,928	8,534	9,133	9,570	9,898	5.0%
Pagosa Springs	1,513	1,587	1,605	1,597	1,591	1.0%
Unincorporated	6,415	6,947	7,528	7,973	8,307	5.9%

A slower growth trend is projected into the next century based on the assumption that the overall rate of growth of the U.S. population will slow by 0.1% each decade.

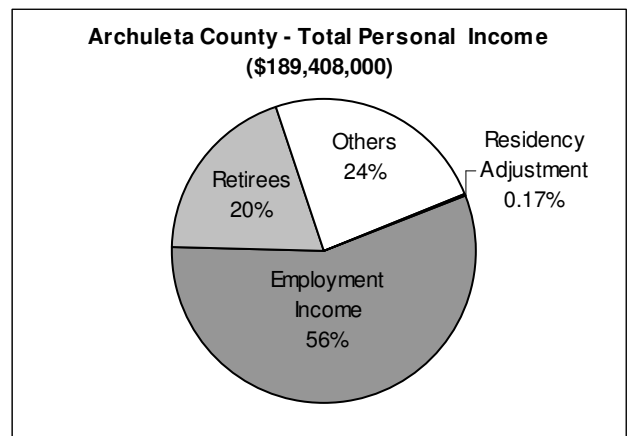
Archuleta	2000	2005	2010	2015	2020
Population	9,898	12,285	14,621	16,987	19,324
Avg. Ann. % Change		4.8%	3.8%	3.2%	2.8%

**Housing** - According to the 2000 Census there were 3,980 housing units. Of these 64% were occupied and 36% were vacant. Of the total there were 23% used for seasonal, recreational or occasional use. The influx of seasonal residents is known as "amenity migration". These individuals are moving to our region to take advantage of the area's unique natural resources, quality of life, and other amenities the region offers. In 1999 (latest figures available) only about 56% of families would be able to purchase a median priced home of \$126,400 [Source: Operation Healthy Communities].

**Livable Wages** - Operation Healthy Communities (OHC) has determined that in 2000 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 was estimated at \$45,938 [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.

**Income and Employment** - In 2000, Total Personal Income (TPI) in Archuleta County was \$189,408,000 (estimated). Per Capita Personal Income (PCPI) is estimated at \$19,136.



The largest proportion of TPI is generated through employment (56%). Retired persons collect benefits that account for 20% (\$37,195,000) 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.

The composition of the economy supports a low unemployment rate although seasonal fluctuations are generally seen in the winter months. County unemployment rates are going down, but are not yet on a par with state unemployment rates.

Labor Force 1996-2000					
ARCHULETA	1996	1997	1998	1999	2000
Unemployed	198	199	237	177	170
Employed	3,377	3,645	4,042	4,384	4,625
Total Labor Force	3,575	3,844	4,279	4,561	4,795
Unemploy. Rate	5.5%	5.2%	5.5%	3.9%	3.5%
State Unemploy. Rate	4.2%	3.3%	3.8%	2.9%	2.7%

Source: Colorado Dept of Labor

The Center for Business and Economic Forecasting (CBEF) estimates that in 2000 there were 900 people commuting out of the county for work, and 132 people commuting in to the county for work.

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 22% of the earnings.

Archuleta County 2000 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.	avg. annual wage *
Agribusiness	360	7%	-731	-0.7%	\$ 23,798
Mining	33	1%	\$ 2,719	3%	\$ 26,208
Construction	750	14%	\$ 19,939	19%	\$ 26,927
Manufacturing	109	2.0%	\$ 3,671	3.5%	\$ 26,350
T,C & PU	114	2%	\$ 6,359	6%	\$ 35,908
Trade	1290	23%	\$ 19,461	18%	\$ 13,873
F,I & RE	868	16%	\$ 14,400	14%	\$ 29,687
Services	1,404	25%	\$ 22,774	22%	\$ 17,848
Government	583	11%	\$ 17,160	16%	\$ 24,750
Total	5,511	100%	\$105,753	100%	\$ 21,200

\*avg wage for Wholesale Trade is \$38,711; Retail is \$13,873

From BEA & ES 202-includes proprietor income

## Retail Sales

2000 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Agric., Forestry & Fisheries	\$ 1,010,000	0.6%
Construction	\$ 11,234,000	6.3%
Manufacturing	\$ 3,972,000	2.2%
Transp. & Public Utilities	\$ 10,104,000	5.7%
Wholesale Trade	\$ 7,358,000	4.1%
Finance, Ins. & Real Estate	\$ 1,561,000	0.9%
Services-Not Lodging	\$ 15,290,000	8.6%
Lodging	\$ 8,421,000	4.7%
Retail Trade	\$ 118,111,000	66.1%
Other*	\$ 1,515,000	0.8%
<b>Total</b>	<b>\$ 178,576,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

Retail trade is the strongest sales sector, followed by services (not lodging). These are also the strongest employment sectors. In 2000 there were \$178,576,000 total sales, including the sectors that are not disclosed.

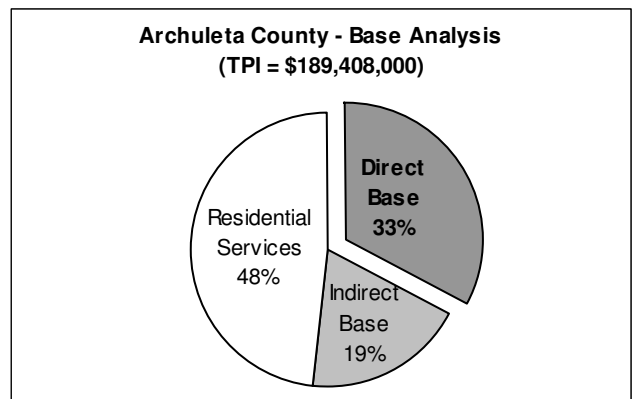
2000 Retail Trade		
Industry	\$ Sales	% Total
Food	\$29,260,000	24.8%
Eat/Drink	\$12,935,000	11.0%
Gen. Merchandise	\$4,380,000	3.7%
Apparel	\$1,363,000	1.2%
Furnishings	\$3,603,000	3.1%
Building	\$28,303,000	24.0%
Other*	\$38,267,000	32.4%
<b>Total</b>	<b>\$118,111,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

Within the Retail Trade sector food sales is the strongest sector, followed by building. In 2000 there were \$118,111,000 total retail trade sales, including the sectors that are not disclosed.

**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.



About \$62 million (33%) comes into Archuleta County as new dollars being drawn into the local economy through **direct base** industries such as regional goods and services (i.e. tourism) as well as government payments to retirees and others. Jobs relating to tourism, including those in construction and real estate, account for 29% (1,600) of total employment and 23% (\$24,160,000) of total employment income. **Indirect base** (supporting) industries account for another \$35.6 million (19%). Residential services provide about \$91 million (48%) in the local economy.

**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 (1,844 in 2000). 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 has averaged 8.34% annual growth. To accommodate growth, Rico needs to develop a sewer system and upgrade its water treatment capacity.

	Estimates				Census 2000	Avg Annual % Change 1996-2000
	1996	1997	1998	1999		
Dolores	1,636	1,674	1,766	1,811	1,844	2.5%
Dove Creek	646	653	682	691	698	1.6%
Rico	161	171	185	197	205	5.5%
Unincorporated	829	850	899	923	941	2.7%

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	1,976	2,112	2,261	2,421
Avg. Ann. % Change		1.4%	1.4%	1.4%	1.4%

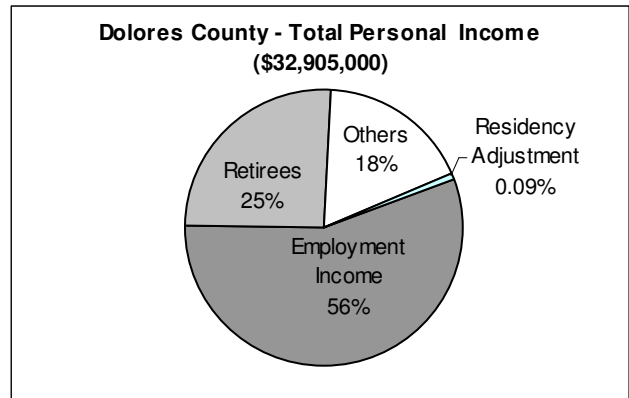
**Housing** - According to the 2000 Census there were 1,193 housing units. Of these 66% were occupied and 34% were vacant. Of the total there were 24% used for seasonal, recreational or occasional use. In 1999 (latest figures available) only about 59% of families would be able to purchase a median priced home of \$92,250 in rural Dolores County. In Rico, about 55% of families would be able to purchase a median priced home of \$102,400. In Dove Creek about 81% of families would be able to purchase a median priced home of \$37,000 [Source: Operation Healthy Communities].

**Livable Wages** - Operation Healthy Communities (OHC) has determined that in 2000 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 \$30,600 [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) parts 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.

**Income and Employment** - In 2000 Total Personal Income (TPI) in Dolores County was \$32,905,000 (estimated). Per Capita Personal Income (PCPI) is estimated at \$17,844.



The largest proportion (56%) of TPI is generated through employment earnings. Retired persons collect benefits that account for 25% (8,363,000) 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.

The composition of the economy defines a relatively high unemployment rate with seasonal fluctuations. In 2000 Dolores County had an average unemployment rate of 9.3%. In comparison the statewide average was 2.7%.

Labor Force 1996-2000					
DOLORES	1996	1997	1998	1999	2000
Unemployed	76	83	75	57	64
Employed	553	533	580	663	624
Total Labor Force	629	616	655	720	688
Unemploy. Rate	12.1%	13.5%	11.5%	7.9%	9.3%
State Unemploy. Rate	4.2%	3.3%	3.8%	2.9%	2.7%

Source: Colorado Dept of Labor

The Center for Business and Economic Forecasting (CBEF) estimates that in 2000 there were 425 people commuting out of the county for work, and 210 people commuting in to the county for work.

Dolores County 2000 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.	avg. annual wage *
Agribusiness	393	41%	\$ 3,502	19%	\$ 18,570
Mining	39	4%	\$ 1,236	7%	\$ 35,906
Construction	34	4%	\$ 1,617	9%	\$ 21,089
Manufacturing	7	1%	\$ 463	3%	\$ 12,663
T,C & PU	21	2%	\$ 1,552	8%	\$ 22,444
Trade	152	16%	\$ 2,175	12%	\$ 9,634
F,I & RE	29	3%	\$ 761	4%	D
Services	69	7%	\$ 2,958	16%	\$ 14,850
Government	204	22%	\$ 4,151	23%	\$ 17,314
Total	948	100%	\$ 18,414	100%	\$ 17,863

D= non-disclosure

\*avg wage for Wholesale Trade is \$30,809; Retail is \$9,634

From BEA & ES 202-includes proprietor income

Agricultural products and services play a large role in the Dolores County economy, providing 41% of employment and 19% of employment income. Dolores is the only county in Region 9 that has consistently shown positive net agricultural income since 1980 (96' was a bad year). In 1997 the net agricultural income was \$2,043,000. Much of the \$8.5 million in production expenses is spent locally. The intangible benefits of agriculture include wide- open vistas, rural lifestyles and small town living.

### Retail Sales

2000 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Manufacturing	\$ 156,000	0.9%
Mining	\$ 18,000	0.1%
Construction	\$ 45,000	0.3%
Transp. & Public Utilities	\$ 1,057,000	6.4%
Finance, Ins. & Real Estate	\$ 228,000	1.4%
Services-Not Lodging	\$ 850,000	5.1%
Retail Trade	\$ 9,784,000	59.2%
Other*	\$ 4,378,000	26.5%
<b>Total</b>	<b>\$ 16,516,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

In 2000 there were \$16,516,000 total sales, including the sectors that are not disclosed. Retail trade is the strongest sales sector, accounting for about 59% of total sales.

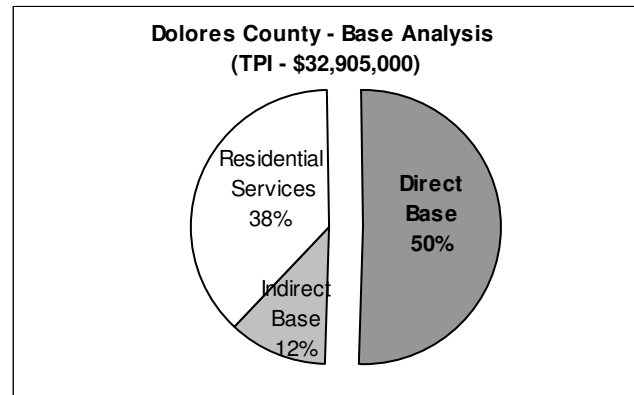
2000 Retail Trade		
Industry	\$ Sales	% Total
Automotive	\$ 6,032,000	61.7%
Eat/Drink	\$ 461,000	4.7%
Food	\$ 606,000	6.2%
Building	\$ 1,504,000	15.4%
Misc. Retail	\$ 1,159,000	11.8%
Other*	\$ 22,000	0.2%
<b>Total</b>	<b>\$ 9,784,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

Within the Retail Trade sector, automotive sales are the strongest sector accounting for about 62% of the total. In 2000 there were \$9,784,000 total retail trade sales, including the sectors that are not disclosed.

**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.



About \$16.5 million (50%) comes into Dolores County as new dollars being drawn into the local economy through **direct base** industries such as regional goods and services (i.e. agriculture) as well as government payments to retirees and others. Jobs relating to agriculture account for 41% (393) of total employment and 19% (\$3,502,000) of total employment income. **Indirect base** (supporting) industries account for another \$3.8 million (12%). **Residential services** provide about \$12.5 million (38%) in the local economy.

## 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	Avg Annual % Change 1996-2000
	1996	1997	1998	1999		
La Plata	39,704	40,318	41,173	42,757	43,941	2.1%
Bayfield	1,525	1,545	1,555	1,552	1,549	0.3%
Durango	13,350	13,278	13,468	13,731	13,922	0.9%
Ignacio	706	709	701	682	669	-1.0%
Unincorporated	24,123	24,786	25,449	26,792	27,801	3.0%

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 64,132 people by 2020.

La Plata	2000	2005	2010	2015	2020
Population	43,491	50,164	55,909	60,463	64,132
Avg. Ann. % Change		3.1%	2.3%	1.6%	1.2%

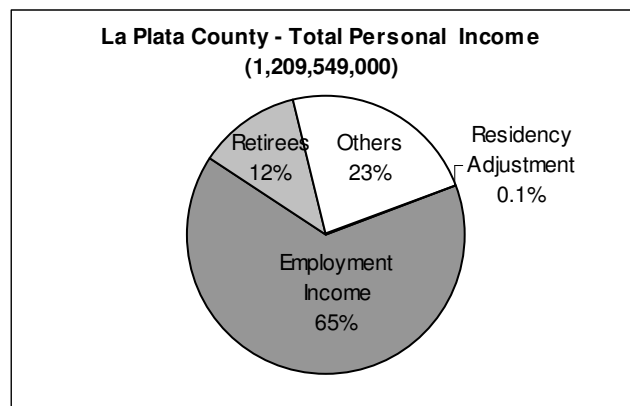
**Housing** - According to the 2000 Census there were 20,765 housing units. Of these 83.5% were occupied and 16.5% were vacant. Of the total there were 12% used for seasonal, recreational or occasional use. In 1999 (latest figures available) only about 57% of families would be able to purchase a median priced home of \$154,450 in rural La Plata County. In Durango, about 57% of families would be able to purchase a median priced home of \$153,500. In Bayfield about 65% of families would be able to purchase a median priced home of \$122,650. In Ignacio about 78% of families would be able to purchase a median priced home \$72,000 [Source: Operation Healthy Communities].

**Livable Wages** - Operation Healthy Communities (OHC) has determined that in 2000 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 \$50,994 [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.

Because of its location within the larger region Durango has developed as a tourist crossroads and regional trade center. 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.

**Income and Employment** - In 2000 Total Personal Income (TPI) in La Plata County was \$1,209,549,000 (estimated). Per Capita Personal Income (PCPI) is estimated at \$27,527.



The largest proportion (65%) of TPI is generated through employment earnings. Retired persons collect benefits that account for 12% (\$148,351,000) 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.



The composition of the economy supports a low unemployment rate although seasonal fluctuations are generally seen in the winter months. The unemployment rate is going down, but still is not on a par with state unemployment rates.

Labor Force 1996-2000					
LA PLATA	1996	1997	1998	1999	2000
Unemployed	1,139	1,056	1,262	926	917
Employed	22,372	22,922	23,318	23,249	23,487
Total Labor Force	23,511	23,978	24,580	24,175	24,404
Unemploy. Rate	4.8%	4.4%	5.1%	3.8%	3.8%
State Unemploy. Rate	4.2%	3.3%	3.8%	2.9%	2.7%

Source: Colorado Dept of Labor

The Center for Business and Economic Forecasting (CBEF) estimates that in 2000 there were 900 people commuting out of the county for work, and 5,559 people commuting in to the county for work.

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.

La Plata County 2000 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.	avg. annual wage *
Agribusiness	1,544	5%	\$ 7,756	1%	\$ 18,887
Mining	320	1%	\$ 19,352	2%	\$ 52,351
Construction	3,549	11%	\$ 97,228	12%	\$ 29,135
Manufacturing	1,012	3%	\$ 27,293	3%	\$ 24,208
T,C & PU	954	3%	\$ 42,848	5%	\$ 37,275
Trade	7,092	23%	\$133,877	17%	\$ 15,620
F,I & RE	1,917	6%	\$ 56,378	7%	\$ 33,835
Services	10,827	35%	\$262,044	34%	\$ 25,493
Government	3,907	13%	\$134,426	17%	\$ 29,879
Total	31,121	100%	\$781,202	100%	\$ 25,212

\*avg wage for Wholesale Trade is \$31,275; Retail is \$15,620

From BEA & ES 202-includes proprietor income

## Retail Sales

2000 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Agric., Forestry & Fisheries	\$ 6,628,000	0.7%
Construction	\$ 42,712,000	4.4%
Manufacturing	\$ 45,786,000	4.7%
Transp. & Public Utilities	\$ 72,266,000	7.4%
Wholesale Trade	\$ 44,259,000	4.5%
Finance, Ins. & Real Estate	\$ 5,588,000	0.6%
Services-Not Lodging	\$ 117,976,000	12.1%
Lodging	\$ 45,977,000	4.7%
Retail Trade	\$ 592,127,000	60.7%
Mining	\$ 1,593,000	0.2%
Other*	\$ 389,000	0.04%
<b>Total</b>	<b>\$ 975,301,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

Retail trade is the strongest sales sector, followed by services (not lodging). These are also the strongest employment sectors. In 2000 there were \$975,301,000 total sales, including the sectors that are not disclosed.

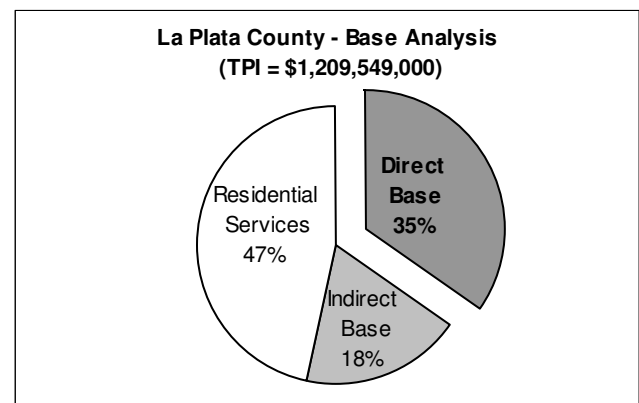
2000 Retail Trade		
Industry	\$ Sales	% Total
Food	\$ 88,542,000	15.0%
Furniture	\$ 39,338,000	6.6%
Eat/Drink	\$ 60,374,000	10.2%
Misc. Retail	\$ 89,109,000	15.0%
Gen. Merchandise	\$ 100,563,000	17.0%
Apparel	\$ 14,583,000	2.5%
Automotive	\$ 143,129,000	24.2%
Building	\$ 56,489,000	9.5%
<b>Total</b>	<b>\$ 592,127,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

Within the Retail Trade sector automotive sales is the strongest sector, followed by general merchandise sales. In 2000 there were \$592,127,000 total retail trade sales.

**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.



About \$420.6 million (35%) comes into La Plata County as new dollars being drawn into the local economy through **direct base** industries such as regional goods and services (i.e. tourism) as well as government payments to retirees and others. Jobs relating to tourism, including those in construction and real estate, account for 25% (7,929) of total employment and 19% (\$146,158,000) of total employment income. **Indirect base** (supporting) industries account for another \$223.2 million (18.5%). **Residential services** provide about \$565.7 million (47%) in the local economy.

## 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 primary tool for protection of these right and values is called Landowner Initiated Zoning (**LIZ**). Landowner Initiated Zoning is a unique approach that attempts to adapt conventional zoning to the circumstances, values and goals of Montezuma County.

**Population** - In 2000 the county's population was 23,830. 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 1990 to 2000 Montezuma County as a whole has seen steady population growth, with a 2.47% average annual change, although the Town of Dolores saw slight population declines. Unincorporated areas of the county had the highest average annual growth rate, which includes the Ute Mountain Utes Tribal population.

	Estimates				Census 2000	Avg Annual % Change 1996-2000
	1996	1997	1998	1999		
Montezuma	22,650	22,973	23,117	23,524	23,830	1.0%
Cortez	7,871	7,833	7,844	7,920	7,977	0.3%
Dolores	901	880	863	860	857	-1.0%
Mancos	970	972	978	1,060	1,119	3.1%
Unincorporated	12,908	13,288	13,432	13,684	13,877	1.5%

The rate of growth is projected to decrease over the next 20 years, however the population is projected to be at 34,920 people by 2020.

Montezuma	2000	2005	2010	2015	2020
Population	23,830	26,580	29,302	32,160	34,920
Avg. Ann. % Change		2.3%	2.0%	2.0%	1.7%

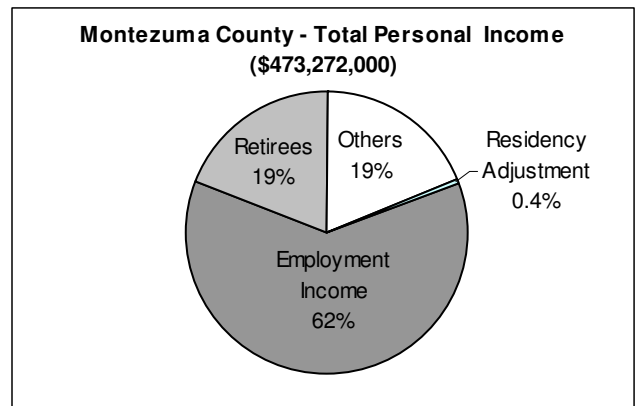
**Housing** - According to the 2000 Census there were 10,497 housing units. Of these 88% were occupied and 12% were vacant. Of the total there were 4.6% used for seasonal, recreational or occasional use. In 1999 (latest figures available) only about 42% of families would be able to purchase a median priced home of \$152,900 in rural Montezuma County. In Cortez, about 66% of families would be able to purchase a median priced home of \$84,000. In Dolores about 67% of families would be able to purchase a median priced home of \$81,000. In Mancos about 65% of families would be able to purchase a median priced home \$86,000 [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 [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.

**Income and Employment** - In 2000 Total Personal Income (TPI) in Montezuma County was \$473,272,000 (estimated). Per Capita Personal Income (PCPI) is estimated at \$19,860.



The largest proportion (62%) of TPI is generated through employment earnings. Retired persons collect benefits that account for 19% (\$91,759,000) 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.

The composition of the economy supports a low unemployment rate although seasonal fluctuations are generally seen in the winter months. The unemployment rate is going down, but still is not on a par with state unemployment rates.

Labor Force 1996-2000					
MONTEZUMA	1996	1997	1998	1999	2000
Unemployed	786	741	799	583	615
Employed	10,538	10,396	10,777	11,251	10,957
Total Labor Force	11,324	11,137	11,576	11,834	11,572
Unemploy. Rate	6.9%	6.7%	6.9%	4.9%	5.3%
State Unemploy. Rate	4.2%	3.3%	3.8%	2.9%	2.7%

Source: Colorado Dept of Labor

The Center for Business and Economic Forecasting (CBEF) estimates that in 2000 there were 100 people commuting out of the county for work, and 1,518 people commuting in to the county for work.

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.

Montezuma County 2000 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.	avg. annual wage *
Agribusiness	1,413	10%	\$ 2,800	1%	\$ 19,070
Mining	105	1%	\$ 3,170	1%	\$ 40,569
Construction	1,643	12%	\$ 45,058	15%	\$ 30,521
Manufacturing	596	4%	\$ 13,559	5%	\$ 21,534
T,C & PU	429	3%	\$ 29,997	10%	\$ 32,184
Trade	2,960	22%	\$ 51,068	18%	\$ 15,000
F,I & RE	586	4%	\$ 11,676	4%	\$ 25,877
Services	4,025	29%	\$ 72,210	25%	\$ 18,779
Government	1,949	14%	\$ 61,568	21%	\$ 25,889
Total	13,706	100%	\$291,105	100%	\$ 21,781

\*avg wage for Wholesale Trade is \$24,565; Retail is \$15,000

From BEA & ES 202-includes proprietor income

## Retail Sales

2000 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Construction	\$ 13,102,000	3.4%
Manufacturing	\$ 12,723,000	3.3%
Transp. & Public Utilities	\$ 30,031,000	7.7%
Wholesale Trade	\$ 14,458,000	3.7%
Finance, Ins. & Real Estate	\$ 942,000	0.2%
Services-Not Lodging	\$ 26,844,000	6.9%
Lodging	\$ 10,299,000	2.6%
Retail Trade	\$ 279,610,000	71.7%
Mining	\$ 715,000	0.2%
Other*	\$ 1,493,000	0.4%
<b>Total</b>	<b>\$ 390,217,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

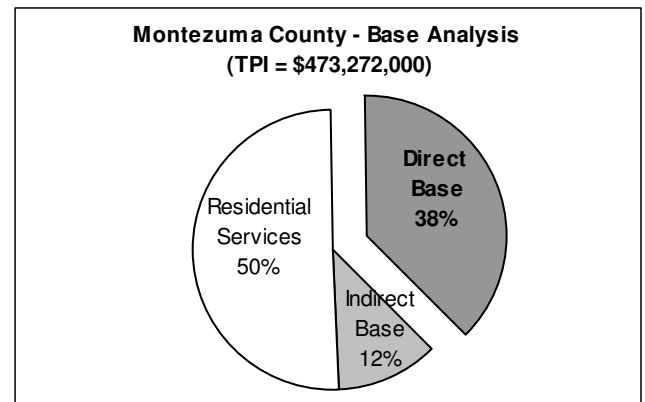
2000 Retail Trade		
Industry	\$ Sales	% Total
Food	\$ 41,831,000	15.0%
Furniture	\$ 9,064,000	3.2%
Eat/Drink	\$ 25,046,000	9.0%
Misc. Retail	\$ 33,835,000	12.1%
Gen. Merchandise	\$ 64,063,000	22.9%
Apparel	\$ 964,000	0.3%
Automotive	\$ 81,334,000	29.1%
Building	\$ 23,473,000	8.4%
<b>Total</b>	<b>\$ 279,610,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

Within the Retail Trade sector automotive sales is the strongest sector, followed by general merchandise sales. In 2000 there were \$279,610,000 total retail trade sales.

**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.



About \$177.6 million (37.5%) comes into Montezuma County as new dollars being drawn into the local economy through **direct base** industries such as regional goods and services (i.e. tourism and agriculture) as well as government payments to retirees and others. Jobs relating to tourism, including those in construction and real estate, account for 16% (2,260) of total employment and 10% (\$29,756,000) of total employment income. **Indirect base** (supporting) industries account for another \$54.5 million (11.5%). **Residential services** provide about \$241 million (51%) in the local economy.

## 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. The overall economic health of the county in the future may depend on the development of sectors other than tourism that will diversify the economy, and provide year-round, livable wages while addressing the key issues of life in San Juan County.

**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 2000	Avg annual % Change 1996-2000
	1996	1997	1998	1999		
San Juan	579	570	555	557	558	-0.7%
Silverton	555	547	532	532	531	-0.9%
Unincorporated	24	23	23	25	27	2.5%

\*avg. annual change uses weighted averages provided by the Colo. Demography Section  
Source: CDLG-Demography Section

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, although there has been some public opposition in neighboring La Plata County.

San Juan	2000	2005	2010	2015	2020
Population	558	631	686	742	796
Avg. Ann. % Change		2.6%	1.7%	1.6%	1.5%

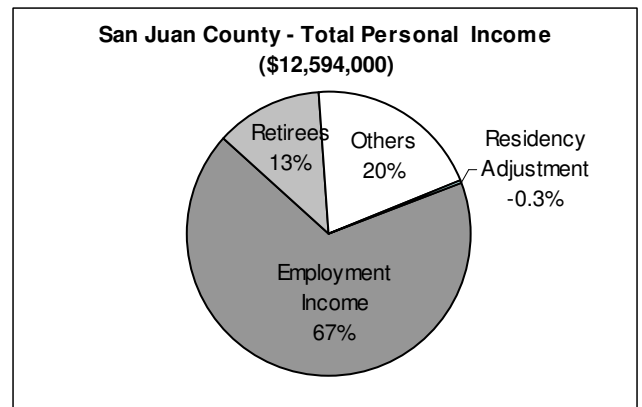
**Housing** - According to the 2000 Census there were 632 housing units. Of these 42% were occupied and 57% were vacant. Of the total there were 49% used for seasonal, recreational or occasional use. In 1999 (latest figures available) about 66% of families would be able to purchase a

median priced home of \$100,000 in San Juan County [Source: Operation Healthy Communities].

**Livable Wages** - Operation Healthy Communities (OHC) has determined that in 2000 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 \$39,500 [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.

**Income and Employment** - In 2000 Total Personal Income (TPI) in San Juan County was \$12,594,000 (estimated). Per Capita Personal Income (PCPI) is estimated at \$22,570.



The largest proportion (68%) of TPI is generated through employment earnings. Retired persons collect benefits that account for 13% (\$1,585,000) of TPI in San Juan 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.

In 1990 San Juan County had an average unemployment rate of 7.9%. By 1992, after the closure of the Sunnyside Mine, this figure had risen to 35.1%. While the unemployment rates have been declining, they are still among the highest in the state.

Labor Force 1996-2000					
SAN JUAN	1996	1997	1998	1999	2000
Unemployed	40	27	46	33	34
Employed	214	215	242	249	238
Total Labor Force	254	242	288	282	272
Unemploy. Rate	15.7%	11.2%	16.0%	11.7%	12.5%
State Unemploy. Rate	4.2%	3.3%	3.8%	2.9%	2.7%

Source: Colorado Dept of Labor

The Center for Business and Economic Forecasting (CBEF) estimates that in 2000 there were 10 people commuting out of the county for work, and 118 people commuting in to the county for work.

The composition of the economy of San Juan County has changed considerably in the 1990's. In 1990 mining contributed 72.8% of earnings and 40% of employment, in 1994 the mining industry had declined to the point that income and employment information was suppressed. Until the Sunnyside Mine closed in 1991, tourism supplemented the mining industry and filled gaps during low points in the mining cycle. Presently, trade related to tourism contributes the greatest proportion of jobs (48%) and employment income (34%) to the local economy.

San Juan County 2000 Total Employment	# of Jobs	% of Jobs	Income (\$000)	% of Inc.	avg. annual wage *
Agribusiness	-	0%	\$ 15	0%	\$ -
Mining	-	0%	\$ 232	3%	\$ -
Construction	16	4%	\$ 519	6%	\$ 25,996
Manufacturing	2	1%	\$ 111	1%	D
T,C & PU	7	2%	\$ 487	6%	\$ 39,987
Trade	175	48%	\$2,906	34%	\$ 13,152
F,I & RE	55	15%	\$ 886	10%	D
Services	30	8%	\$ 993	12%	\$ 12,398
Government	81	22%	\$2,369	28%	\$ 24,184
Total	367	100%	\$8,516	100%	\$ 18,253

D= non-disclosure

\*avg wage for Wholesale Trade is \$ 0; Retail is \$13,152

From BEA & ES 202-includes proprietor income

## Retail Sales

2000 Retail Sales - All Sectors		
Industry	\$ Sales	% Total
Transp. & Public Utilities	\$ 1,049,000	6.9%
Finance, Ins. & Real Estate	\$ 916,000	6.0%
Services-Not Lodging	\$ 1,037,000	6.8%
Retail Trade	\$ 9,633,000	63.3%
Lodging	\$ 2,062,000	13.6%
Other*	\$ 520,000	3.4%
<b>Total</b>	<b>\$ 15,217,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

Historically, most of the retail sales in San Juan County have migrated out to towns in neighboring counties, i.e. Durango and Montrose, which offer many more shopping choices.

Retail trade is the strongest sales sector. However, so much information is undisclosed that it is difficult to form a clear picture of the strength of other industries' sales.

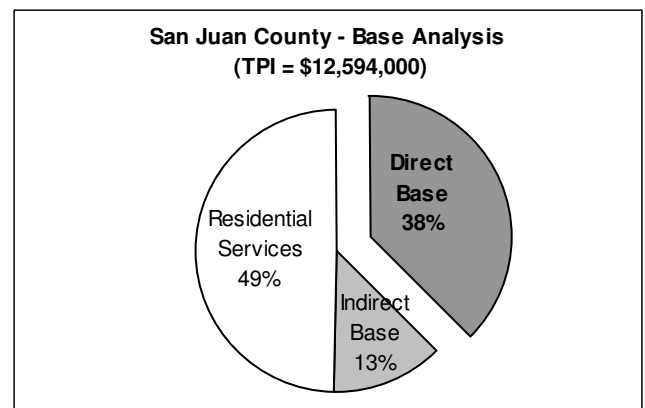
2000 Retail Trade		
Industry	\$ Sales	% Total
Food	\$ 1,004,000	10.4%
Eat/Drink	\$ 3,379,000	35.1%
Gen. Merch.	\$ 692,000	7.2%
Misc. Retail	\$ 3,138,000	32.6%
Other*	\$ 1,420,000	14.7%
<b>Total</b>	<b>\$ 9,633,000</b>	<b>100.0%</b>

\* Other includes the sectors not disclosed

Source:CO Dept. of Revenue (April 2002)

Within the Retail Trade sector, eating & drinking is the strongest sector, followed by miscellaneous retail sales. This reflects the strong reliance of the local economy on tourism.

**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.



About \$4.7 million (37.5%) comes into San Juan County as new dollars being drawn into the local economy through **direct base** industries such as regional goods and services (i.e. tourism) as well as government payments to retirees and others. Jobs relating to tourism, including those in construction and real estate, account for 41% (151) of total employment and 31% (\$2,619,000) of total employment income. **Indirect base** (supporting) industries account for another \$1.5 million (13%). **Residential services** provide about \$6.2 million (50%) in the local economy.

## 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 1999 was 1,968 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 2000 the tribe employed over 900 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 1999).

**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.

## **STRATEGIC CHALLENGES**

### **Our Regional Economy Needs to be Diversified**

Communities want to see a greater diversification in income and employment indicators. Amenity migration (the jobs and income produced from new residents moving into the area), combined with tourism, make up large portions of each county's employment and income, with the exception of Dolores County. Most folks feel these two sectors, amenity migration and tourism, comprise too much of our economies and that the economic trends in these sectors may not be sustainable. Many residents want to be able to have their children stay here in the future.

### **There is not a One-Size-Fits-All Solution**

The region overall has a healthy economy except for the key distressed areas of San Juan County and Dolores County. These two communities have unique needs and can benefit from the services provided by regional organizations such as Region 9 EDD.

### **Change is a Given**

Given the diversity of the five county area, each community has its own set of solutions. There is not a one-size-fits-all strategy. All economic development efforts should recognize the work already being done on the local level and support that work. While we change to the New West from the Old West, there is recognition that these changes are not necessarily welcomed by all. Some of the changes are creating great hardships. There are "value" clashes that impact future economic and community development, and prevent community consensus about how to solve key problems. At the same time, opportunities for desirable economic development are plentiful.

### **Quality of Life Balanced with Economic Growth**

Quality of life concerns were raised many times in the CEDS planning process. Communities want to foster economic development that improves, rather than deters from, Southwest Colorado's quality of life. Quality of life is why many people live here and not in larger urban areas. People are moving here and our economies are, in general, strong in large part because of the unique features and qualities of our region — historical, cultural and environmental. There is a concern, however, that these features be preserved and that we not "ruin" the things that make the region special and that fuel the tourism and amenity migration.

While there is no regional consensus on what to do about growth or how to preserve quality of life, there are concerns about these issues at all levels and in all sectors. The CEDS process documents and explains what each county is doing to address growth-related challenges, and it offers a resource list for dealing with growth-related issues. The CEDS process is not meant to shape local growth management policies and recognizes that growth is being dealt with, in various ways, by local jurisdictions.

### **Specific Community Strategies**

Businesses are wanted that fit with community values, pay livable wages, are clean, and are relatively small. Consistently, communities reported that they do not just want more jobs, they want jobs that sustain families, pay benefits and that allow a higher quality of life to be attained by residents. Businesses need increased levels of technical assistance (e.g. business planning, help with marketing, etc.) Both new business recruitment and existing business development are desired goals. Along these lines, each community is working to varying degrees on establishing business parks. There are significant issues and problems around the workforce of the region. Over and over, communities expressed concern about the availability of workers, their training (or lack thereof), and if a workforce would be available should new businesses relocate here. The provision of adequate technological training is a gaping need in Southwest Colorado.

### **Two Noteworthy Sectors – Agriculture and Tourism**

These two economic sectors are mentioned because they received a considerable amount of attention in the input process. The agricultural sector needs to be maintained and strengthened. City folks and rural people alike want to save the sector for the open spaces and lifestyle that it provides. Several ideas were generated, but this remains one of the most compelling, pressing economic development challenges in the region.

Tourism is a large part of the economy and should be maintained. The developments of heritage tourism as well as year-round, "niche" tourism are desired outcomes. There is a concern about "*How much tourism is good?*" "*Is the current level of tourism sustainable and desirable?*" Again, by diversifying the economy, this sector can remain strong while other sectors can, and should be, strengthened.

### **Telecommunications are Vital to our Future**

Telecommunications is a major issue for the region and will continue to be. Concern was expressed about the "digital divide" — even the one that exists within the region (i.e. some parts of the region are getting services before others). Much was mentioned about building the human and educational "infrastructure" after the actual hardware arrives. In other words, it's great if we have bandwidth, but we need training on how to use and apply the technology. This training needs to occur on all levels: throughout K – 16 educational systems and with businesses and employees.

Among some segments, there is a fairly high level of understanding about telecommunications and what it will mean for the region opportunity-wise. However, many people are uneducated about what enhanced telecommunications will mean for them, their families, their businesses and their communities.

## **Public Lands are Key to Economic and Community Vitality**

Public Lands play an integral part in the development of Southwest Colorado's communities and economies. The San Juan National Forest and Bureau of Land Management are in the process of developing a Forest Plan Revision that will guide and direct activities on Public Lands in the future. Residents highly value these lands, although much inevitable conflict occurs around issues such as extractive industries, multi-use, the designation of a new monument in Montezuma County and the future role of Public Lands in the region.

## **Infrastructure is a Major Challenge**

Infrastructure remains a very important and vital challenge to be overcome by local governments, small districts (e.g. fire departments), etc. Our roads, highways, sewer and water systems, fire departments and law enforcement, phone services and public facilities simply are not keeping pace with growth especially given the Tabor and Gallagher Amendments (which put limits on tax accumulations). Communities are struggling with how to pay for this growth and are in need of grant funds, technical assistance and help where possible.

## **Housing, Health Care and Child Care — Key Links to Economic Vitality**

Affordable housing is a significant barrier to economic development. Existing residents are getting priced out. New workers have a hard time finding housing. There is a great deal of concern about the quality and quantity of health care. These familiar issues often arise in conversations: lack of insurance, businesses not being able to offer it and fear of losing basic services. All of these challenges directly affect the economic development of the region. And there is a recognized need for child-care in the region in order to attract and retain businesses.

## **Regional Economic Development Vision**

We are working towards an economic vision of Southwest Colorado that includes an appreciation for the heritage and landscape upon which the communities of Southwest Colorado have been built.

We are building diverse and sustainable economies that pay livable wages, offer meaningful work, and create economies that are not overly reliant on any one sector.

We support economic development that preserves our natural resources, provides opportunities for all citizens who reside in the region and strengthens local businesses. We are working to create economic growth that is guided by sensible policies that encourage bottom-up problem solving, cooperative decision-making and as little bureaucracy as possible

We support building the capacities of the local economic development groups who each, in their own ways, are working on improving their economies.

We desire housing and health care that are affordable, accessible and efficient.

We want adequate and effective telecommunications infrastructure and technology training services that will make our region competitive and a participant in the global marketplace.

We will support business parks that attract new businesses, help existing businesses, and are in keeping with local land use policies and community values.

We need to find a balance between ecological and economic needs, encouraging problem-solving, constructive dialogue and solution finding between all sectors.

We want to ensure there is adequate infrastructure that is paid for fairly by communities, developers and business entities.

We hope to strengthen the agriculture sector so that our open lands and small-town living can be preserved, and so this sector can diversify our economies.

We want transportation systems that allow us to travel in safe, efficient and cost-effective manners.

We desire schools at all levels that are effective, preparing students to meet the academic and technological challenges of tomorrow. We promote life-long learning opportunities.

We have an appreciation for community enhancements such as the arts, cultural attractions, post-secondary educational opportunities, trails, etc. and recognize these enhancements as being tied to economic development success.

We see the need for accessible and adequate supply of community services including human services and law enforcement.



## 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 are 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 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.

## **OTHER USEFUL CONTACTS**

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### **Economic Development Organizations**

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Region 9 Economic Development District  
Ed Morlan - Executive Director  
295 A Girard  
Durango, CO 81301  
Phone (970) 247-9621; Fax (970) 247-9513  
<http://www.scan.org>

Archuleta Economic Development Association  
Mike Alley  
P.O. Box 305  
Pagosa Springs, CO 81147  
Phone (970) 264-5786; Fax (970) 264-4327

Mesa Verde County Economic Development  
Bruce Johnson  
928 Main Ave  
Cortez, CO 81321  
Phone (970) 565-8227; Fax (970) 565-1155

San Juan 2000  
Anthony Edwards  
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Phone (970) 387-5101; Fax (970) 387-0282

Ute Mountain Ute Indian Tribe  
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Phone (970) 565-3751; Fax (970) 565-7412

La Plata Economic Development Action Partnership  
Bobby Lieb  
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Durango, CO 81302  
Phone (970) 259-5064; Fax (970) 385-5005

Dolores County Development Corporation  
Dennis McMahan  
P.O. Box 860  
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Phone (970) 677-3377

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### **Chambers of Commerce**

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Cortez Chamber of Commerce  
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Bayfield Chamber of Commerce  
Florine Morrison  
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Mancos Valley Association  
Mac Neeley  
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Mancos, CO 81328  
Phone (970) 533-7434  
Fax (970) 533-7727

Ignacio Business Boosters  
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Dolores Chamber of Commerce  
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Durango Area Chamber/Resort  
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