

2015 Colorado Planning & Management Region Report

Region 9 – Archuleta, Dolores, La Plata, Montezuma and San Juan Counties

INTRODUCTION

Region 9 encompasses the five-county area of Archuleta, Dolores, La Plata, Montezuma and San Juan Counties as well as the reservations of the Southern Ute and Ute Mountain Indian Tribes. The region is located in the southwest corner of the State at the juncture of three distinct physiographic regions: the Rocky Mountains, the Colorado Plateau, and the San Juan Basin. Of the 6,584 square miles that comprise the region, 45% are public lands, 38% are private lands and 17% are tribal lands.

The region is rural with an estimated 2014 population of 94,726 in all five counties. Overall, the region saw a 1% increase since 2010, driven mainly by La Plata County.

Population:

County	Census 2010	July 2014	% Change
Archuleta	12,084	12,249	1.57%
Dolores	2,064	1,933	-6.17%
La Plata	51,334	54,014	5.00%
Montezuma	25,535	25,812	1.1%
San Juan	699	718	1.27%
Colorado	5,029,196	5,353,471	6.45%

Source: State Demography Office

JOBS & THE ECONOMY

Each county in the region, other than San Juan, has seen a decrease in unemployment over the past year. With the exception of Montezuma County, all are below the state average.

Unemployment Rates:

County	August 2014	August 2015	% Change
Archuleta	4.9%	3.5%	-1.4%
Dolores	2.9%	1.8%	-1.1%
La Plata	3.7%	3.3%	-0.4%
Montezuma	5.2%	5.1%	-0.1%
San Juan	2.7%	3.1%	0.4%
Colorado	4.6%	3.8%	-0.8%

HOUSING

According to MLS numbers provided by the Wells Group, from August 2014 to August 2015 the numbers of residential home sales are showing strong increases year over year in some counties. Overall, the region is seeing some resurgence in vacation and second home sales, although these may be lagging due to energy prices and the influence that the energy industry has on southwest Colorado.

Archuleta County has seen a 3% increase in sales, and higher end properties are selling, moving the dial on the median price up 15% to \$241,500. Pagosa Springs has initiated an update to a second homeowners study first done in 2005. They will be using this information to evaluate the social and

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economic impacts of 2nd homeowners, help to determine current and future housing needs, and to plan ahead for services such as medical and public safety.

The Dolores County median home price is the lowest in the region at \$78,500, followed by Montezuma County. Montezuma County sales are up 10% and median home prices have increased 3% to \$173,000.

La Plata County saw a 15% increase in sales with median home prices up 4% to \$347,800. About 90% of home sales in La Plata were under \$600,000. Housing construction in the county has increased substantially, though these are not showing up as sales yet. A recent study by the Regional Housing Alliance reports that 790 new dwelling units will be needed annually in La Plata County to provide the housing needed to meet the Colorado State Demography Office's economic growth forecast. This projection would more than double the 330 building permits issued in La Plata County in 2014. According to the mid-range projection, La Plata County is projected to grow 52 percent over the next twenty years, generating demand for an additional 15,700 housing units.

San Juan County is focusing on the development of more workforce housing in Silverton. A survey of residents was performed to determine what types of housing should be built. Perceptions of housing needs varied, but several themes emerged. Some favored more rental units for seasonal workers, i.e. apartment complexes, though there were numerous complaints about the condition of the multi family housing that is already available. Weekly vacation rentals are thought to be impacting housing availability. Quality affordable housing (ownership) is desirable for many residents. Small townhomes and condos were mentioned as desirable unit types, especially if they were energy efficient. Many respondents noted that a lot of the housing available for rent or sale is in very poor condition. A number of respondents felt that a lack of year round employment was the real problem.

GOALS FOR THE UPCOMING YEAR

Regional goals were aligned to the Colorado Blueprint, Colorado Governor John Hickenlooper's economic development initiative. Activities under these goals include:

1. **Expand and maintain broadband/fiber optics infrastructure to support and anticipate the needs of future growth.** The Southwest Council of Governments (SWCCOG) completed a regional telecommunications \$4 million dollar fiber infrastructure project. The project, funded through the Department of Local Affairs (DOLA) helped build an open access telecommunications network (SCAN) supported by publicly-owned or leased infrastructure to provide secure connections between community public offices including government, education, law enforcement, search and rescue, and medical facilities. The SWCCOG has now applied for funds for a regional telecommunications business plan and operating strategy for moving forward with their network and filling gaps.
2. **Improve community amenities necessary to attract and retain business, focusing on healthcare, education, and housing.** The southwest Colorado region has high home prices forcing many people to commute long distances to their workplaces. San Juan County has a critical need to develop more workforce housing. The land is available but sat dormant during the recession.

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Development is expected to begin in the next year. Healthcare projects include the construction of a Primary Care Center in Pagosa Springs and a Hospice residence in La Plata County, which will serve the region. The region's Community Development Action Plans (CDAPs) which identifies all priority projects to be started or completed within a two year timeframe will be updated in each county over the next year. Each list is approved by each County's Board of Commissioners and addresses a variety of projects.

3. **Be business friendly and make the region an effective and efficient place to do business.** La Plata County's Economic Development Alliance received funding to research potential sites for a new business park as industrial/commercial facilities are lacking. The Region 9 Economic Development District of SW Colorado works closely and collaboratively with each county level economic development group to increase impact and "boots on the ground" to work with businesses. Region 9's efforts include funding, staff mentoring and working on mutual projects.
4. **Diversify the economy and improve access to markets.** Southwest Colorado is strong in this area and several projects are underway.
 - The two year old, *Southwest Colorado Accelerator Program for Entrepreneurs (SCAPE)* is an innovative collaboration to provide funding, education and the intense mentoring needed to build the region's entrepreneurial infrastructure. To-date, 10 businesses have graduated, resulting in more than 22 jobs, and raising \$1.6 million dollars in capital.
 - Pagosa Waters, a partnership of Archuleta County Pagosa Springs and Pagosa Verde is exploring the geothermal resources in the County and identifying potential uses. Over six million dollars have been committed to this concept. There are only 5 counties in the State with geothermal resources.
 - Pea Pods Family Care Homes is another new initiative to recruit home child care providers by providing the support services needed such as bookkeeping, curriculum, and meeting of state requirements. This innovative effort hopes to expand over 11 counties and help reduce workforce barriers by providing much needed childcare, a gap in the entire region..
5. **Encourage retention and growth of existing businesses.** The recent Gold King Mine spill is expected to have long term impacts on tourism and agriculture throughout the region. Efforts are being proposed on how to mitigate the impacts (short and long term) on these two important sectors, communicate across agency lines and most importantly work to mitigate the mines so another spill does not occur.