

# 2016 Colorado Planning & Management Region Report

Region 11 – Garfield, Mesa, Moffat, Rio Blanco and Routt Counties

## INTRODUCTION

Region 11 is located in Northwest Colorado, and is made up of the Counties of Mesa, Garfield, Moffat, Rio Blanco, and Routt. The region is a large geographic area with a relatively sparse population. Estimated 2015 population for the region is 250,816, a 1.5% increase since 2010. Growth has continued to be sluggish in the region, which has taken longer than other parts of the state to recover from the downturn. New energy development is not occurring in the region to the extent that it is in northeast Colorado; however, there is a slight uptick in drilling activity, mostly in Garfield County, which is expected to have a small but positive impact. Colorado Mesa University continues to be a major economic and population driver for the region.

County	Census 2010	July 2015	% Change
Garfield	56,389	58,082	3.00%
Mesa	146,723	149,249	1.72%
Moffat	13,795	12,923	-6.32%
Rio Blanco	6,666	6,459	-3.11%
Routt	23,509	24,103	2.53%
<b>Colorado</b>	<b>5,029,196</b>	<b>5,456,584</b>	<b>8.50%</b>

Source: State Demography Office

## JOBS AND THE ECONOMY

The region is characterized by a diverse economy, with mineral extraction and energy development, health care, and transportation being the key industries. Agriculture is also a main economic activity in the region, and is also diverse. The main agricultural activities in Region 11 include cattle and sheep ranching, grazing, and hay production, with fruit and wine production in Mesa County, along with limited cattle feeding and feed corn production, mostly in western Mesa County. Traditional base industries are supplemented by a robust tourism and recreation industry.

Energy development takes place in all of the region's counties, but is concentrated mainly in Garfield, Moffat, Routt and Rio Blanco Counties. It consists of oil production in Rio Blanco County, natural gas drilling in Garfield, Mesa, and Moffat counties. Coal mining is a major industry in Routt, Moffat and Rio Blanco Counties. These mines feed electrical generation plants in Moffat and Routt counties, and in eastern Utah. Oil shale remains a large potential industry, but various factors have slowed oil shale research and development in Colorado over the past year and the final research and development project ceased operations this year.

Agriculture, predominantly cattle ranching and hay production, is strongest in Moffat and Rio Blanco Counties. Tourism is the main economic driver in Routt County, and remains significant in Mesa and

south eastern Garfield Counties as well. Government services are also a major employer in all counties except Rio Blanco.

Grand Junction is the largest urban area in the region, and is the largest city between Denver and Salt Lake City, UT. As such, it serves as a regional hub for transportation, commerce, manufacturing, higher education, and health care. Grand Junction Regional Airport and St. Mary’s Hospital are the largest facilities of their kind between Denver and Salt Lake City. Colorado Mesa University continues to expand and grow, and bring with it increased economic opportunities for the region. Manufacturing is an increasingly important industry in Mesa County, with inroads being made into the aerospace industry. Grand Junction Regional airport is working to expand air service westward and has been successful in the establishment of a non-stop, weekly flight to Los Angeles, CA on a trial basis during the summer of 2017. A recently approved oil drilling project near Whitewater could see positive economic impacts as well. In addition, a new world-class shooting facility being planned for Cameo will bring benefits to Palisade and greater Mesa County. Palisade has purchased 1,800 acres at the Cameo site and the first shooting range is expected to be completed by summer 2017.

Mesa County and the Grand Junction Economic Partnership have been successful in leveraging the “Jump Start” program passed by the General Assembly in 2015. The community has identified eight projects that have been qualified for the program; each is required to hire at least five new employees to qualify.

The City of Rifle, located in Garfield County, is home to the Center of Excellence for Advanced Technology Aerial Firefighting (CoE). The community is working regionally with the CoE, higher education resources and regional economic development resources to identify opportunities to grow and expand the role of firefighting throughout the region.

Retirees also continue to make up a significant portion of the population, particularly in Mesa County. The Area Agency on Aging provides many services to seniors in the region and has expanded its role in working with veterans that will help them access benefits available to them.

Health care costs continue to be among the highest in the nation for this region. The rezoning that included all Western Colorado counties, except Mesa County, resulted in slight decreases for “resort” areas and increases in the remainder of the region. Insurance premiums are increasing substantially throughout Western Colorado essentially negating any relief obtained through the rezoning.

The region’s unemployment rates showed little change over the past 12 months. Mesa County has the highest rate of unemployment in the region; Routt and Garfield counties have the lowest.

County	August 2015	August 2016	% Change
Garfield	3.4%	3.3%	-0.1%
Mesa	5.1%	5.4%	0.3%
Moffat	3.7%	3.7%	0.0%
Rio Blanco	4.9%	5.1%	0.2%
Routt	2.8%	2.6%	-0.2%
<b>Colorado</b>	<b>3.5%</b>	<b>3.3%</b>	<b>-0.2%</b>

## **AGRICULTURE**

Agriculture is a significant industry and economic driver in Region 11. It is also a diverse industry, varying from traditional cattle and sheep ranching and grazing in all counties, predominantly Rio Blanco, Moffat, and Garfield, to fruit orchards and vineyards in parts of Mesa County. Hay is grown in every county in the region, and a limited amount of corn production and cattle feeding are carried out in western Mesa County.

## **CLEAN ENERGY**

Region 11's commitment to clean energy development continues with various initiatives being undertaken. Garfield County began offering homeowners low interest loans for home energy efficiency improvements, through the "Garfield Clean Energy Revolving Loan" program. As well, Region 11 Counties continue with efforts towards establishing alternative energy fleets, and expanding the use of natural gas as a transportation fuel, including the development of infrastructure, although this has encountered some setbacks in the past year, with the closing of a CNG station in Rifle. Colorado Mesa University is also involved in various clean energy initiatives. Other clean energy programs include Routt County's "Vision 2030".

## **GOALS FOR THE UPCOMING YEAR**

### **Garfield County**

1. Encourage Growth of Existing Business and Industry
2. Create New Jobs
3. Diversify Garfield County's Economic Base
4. Revitalize downtown and Main street areas in municipalities
5. Capitalize on the presence of the Center for Excellence in Aerial Firefighting to develop an industry cluster.

### **Mesa County**

1. Become an Epicenter for Energy Innovation
2. Elevate the Community Profile
3. Support the Growth of Existing Business
4. Support growth of Colorado Mesa University, and GJ Regional Airport
5. Support activities of Business Incubator
6. Develop a CoWork space for entrepreneurs and businesses that need access to significant bandwidth speeds
7. Utilize the "Jump Start" program to facilitate job growth and development of high-tech and unique companies

## **Moffat County**

1. Increase the number, size, and profitability of local businesses to maintain and create jobs.
2. Sustain or increase current levels of production in core (primary) industries to maintain or create jobs.
3. Ensure current generation broadband and cellular technology availability.
4. Ensure long-term viability of energy sector jobs and businesses to maintain and create jobs.
5. Ensure local control is recognized and honored by state and regional entities.
6. A local marketing district (LMD) was approved by Moffat County voters and funds from the LMD as well as EDA funds are being used to develop an economic development plan in conjunction with Better Cities.
7. Moffat County is exploring the creation of an incubator to help local manufacturer's and coal company support industries to identify new markets for products.

## **Rio Blanco County**

1. Streamline regulatory and permitting processes, remove overlapping regulations, improve cross jurisdictional communication, improving "customer service" in all facets of government, customizing regulations to match the "rural" setting rather than "urban" setting
2. Create a mechanism to keep more Severance Tax and Federal Mineral Lease dollars in Rio Blanco County where the majority of the impacts from resource extraction occur
3. Provide more affordable housing options and entice the workforce to remain in Rio Blanco County
4. Diversify our economic base to reduce the boom/bust cycle, encourage business growth, create new jobs, reduce the amount of sales tax leakage into neighboring communities, allow businesses more access to capital and reduce the cost of doing business in our state
5. Allow more dollars for K-12 education
6. An economic development assessment has been completed in conjunction with Better Cities and Rio Blanco County is working on implementation of the plan.
7. Unique tourist opportunities like the Tank, in Rangely are being identified and marketed in Rio Blanco communities.

## **Routt County**

1. Expansion of educational opportunities
2. Expansion of cellular coverage within the county
3. Expansion of broadband capabilities
4. Expand tourism by better utilization of existing resources
5. To maintain coal production to within 5% of the 5-year average 2006-2010
6. Increase energy efficiency