2017 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 2016 population of 98,243 in all five counties. Overall, the region saw a 1.2% increase since 2010, driven mainly by La Plata County.

Population:

County	Census 2010	July 2016	Annual Change
Archuleta	12,084	12,907	1.1%
Dolores	2,064	2,035	-0.2%
La Plata	51,334	55,697	1.3%
Montezuma	25,535	26,906	0.9%
San Juan	699	698	-0.3%
Region 9	91,716	98,243	1.2%
Colorado	5,029,196	5,538,180	1.6%

Source: State Demography Office

JOBS & THE ECONOMY

Each county in the region saw a decrease in its unemployment rate between August 2016 and August 2017. With the exception of Dolores and Montezuma Counties, all have lower unemployment rates than the state average.

Unemployment Rates:

County	August 2016	August 2017	% Change
Archuleta	2.9%	2.1%	-0.8%
Dolores	3.8%	2.2%	-1.6%
La Plata	2.7%	1.9%	-0.8%
Montezuma	4.2%	2.5%	-1.7%
San Juan	2.4%	1.0%	-1.4%
Colorado	3.2%	2.2%	-1.0%

Source: Labor Market Information

The Region 9 Comprehensive Economic Development Strategy (CEDS) has been updated and is available at www.scan.org. Strategies for economic development have been proposed for each county in the region. Many of these focus on developing infrastructure and services that recruit, grow and retain businesses that provide diverse, well-paying jobs for residents. In La Plata County, businesses,

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particularly industrial firms like construction companies and small manufacturers, are seeking affordable space to buy, lease or build. However, recent findings suggest that rather than building a new business park in the rural part of the county, which would require substantial investments in infrastructure, it might be better to identify a location for low intensity industrial users such as storage yards to relocate and redevelop underutilized lots in Bodo Park within the Durango City limits for higher density office and light industrial businesses. The City of Durango has filled a position for a business coordinator to assist with business development throughout the city, including Bodo Park.

A regional focus on healthcare, education, and housing is underway. An Integrated Care Facility in Pagosa Springs, and a hospice facility in Durango that will serve the region opened this year, and a new wing at the Southwest Memorial Hospital in Cortez is currently under construction with expected completion dates at the end of 2017. New government buildings are springing up across the region. To this end, the expansion of broadband infrastructure is still a high priority. The Southwest Council of Governments (SWCCOG) completed a regional telecommunications \$4 million fiber infrastructure project in 2014. Subsequently, the SWCCOG applied for and received \$75,000 in DOLA funds for the preparation of a regional telecommunications business plan and operating strategy for moving forward with their network and filling gaps. The plan provides a road map of both short-term and longer-term strategies for consideration.

Dolores County completed a new public service center in Dove Creek. It houses the Road & Bridge Department as well as a GIS office, and will include a meeting room to serve community events and as a disaster command center. There are also upgrades to Judicial and other governmental buildings in Archuleta and La Plata Counties. A new Judicial Center has opened in Montezuma County. In addition, Cortez has moved into a new City Hall.

In its fourth year, the *Southwest Colorado Accelerator Program for Entrepreneurs* (*SCAPE*) is an innovative collaboration to provide access to funding, education and the intense mentoring needed to build the region's entrepreneurial infrastructure. To-date, 15 businesses have graduated from the program, resulting in 60 jobs, and raising \$4.4 million dollars in capital. The program has received funding from the Colorado Office of Economic Development and International Trade, and was recently awarded funding from the Small Business Administration. They have also received another year of \$60,000 from the USDA Rural Business Development Grants.

The Gold King Mine spill of September 2015 has been the catalyst for a number of developments in San Juan County. The **Bonita Peak Mining District Superfund** was announced on September 9th and planning for its implementation has begun. Region 9 Economic Development District - in a partnership with San Juan County, Silverton, and the San Juan Development Association - obtained additional funding via a grant from the EDA to fund a Recovery Coordinator in San Juan County to work with county businesses and assist them to successfully remain open and navigate the community's transition from the Gold King Mine Spill disaster to a long term Superfund cleanup. The Coordinator will develop a resiliency plan for existing businesses and identify opportunities for economic diversification during the 18-month period

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of the Coordinator's contract. The Coordinator will also be a central point of contact in the communication and dissemination of accurate information to the town and county.

In May 2017, the Western Excelsior Plant in Montezuma County's Town of Mancos caught fire due to a faulty ventilation fan. A major economic engine for the Town, the plant produced environmentally responsible erosion control using timber from logging initiatives. Strategically located near a reliable source of aspen trees, the <u>plant infused millions of dollars</u> into Montezuma County's economy. The full impact of the mill's loss and future plans for the site remain unknown due to the recentness of the fire.

HOUSING

According to multiple listing service numbers provided by the Wells Group Real Estate Agency in Durango, from August 2016 to August 2017 home sales and median prices were up across the region, with the exception of Dolores County. In Dolores, there were 16 homes sales in 2017, down from 22 (-27%) in 2016; however, the median sales price rose from \$115,000 to \$146,500 (+27%). Archuleta County continues to see a healthy increase in real estate sales. There was a 25% increase in sales (413 to 518) and the median price went from \$264,000 to \$276,000 – a 5% increase. Consequently, Archuleta has identified the provision of workforce and low income housing as a top priority. A housing needs assessment was completed September 2017; findings are forthcoming. La Plata County sales saw a 10% increase (1,078 to 1,190) and the median price rose from \$349,000 to \$360,000 (+3%). Montezuma County is up 11% in the number of sales (322 to 359) and the median price rose slightly (+1%) from \$179,000 to \$181,500. San Juan County saw a 15% increase in the number of sales (33 to 38) and a 13% increase in median price (\$190,000 to \$215,000). The Anvil Mountain housing project is progressing slowly, though single family lots are available for sale and the proposed 12-unit apartment building is out for bid.