

# San Luis Valley

## Economic Development District



### 2021 Comprehensive Economic Development Strategy



*Prepared by:*

SAN LUIS VALLEY  
DEVELOPMENT RESOURCES GROUP  
&  
COUNCIL OF GOVERNMENTS

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SAN LUIS VALLEY  
DEVELOPMENT RESOURCES GROUP  
&  
COUNCIL OF GOVERNMENTS

## A Resolution

### Adopting the 2021 Comprehensive Economic Development Strategy

**WHEREAS:** Economic Development Districts have been established by the U.S. Department of Commerce, Economic Development Administration (EDA) for the purpose of planning and implementing economic and community development programs; and

**WHEREAS:** A San Luis Valley Economic Development District (District) has been designated for the six-county region that includes Alamosa, Conejos, Costilla, Mineral, Rio Grande and Saguache counties; and

**WHEREAS:** The San Luis Valley Development Resources Group (SLVDRG) maintains District membership requirements, receives annual Planning Grants, and carries out responsibilities for the District in accordance with EDA guidelines; and

**WHEREAS:** Districts are required to conduct and maintain a Comprehensive Economic Development Strategy (CEDS) planning process and CEDS document as part of their planning responsibilities; and

**WHEREAS:** Guidelines require a CEDS Strategy Committee to be established for this purpose; and

**WHEREAS:** The CEDS Strategy Committee has completed the planning process and has established economic development priorities in a Regional Action Plan for the District.

**NOW, THEREFORE BE IT RESOLVED:** The Executive Board of the San Luis Valley Development Resources Group hereby approves and adopts this document as the 2021 Comprehensive Economic Development Strategy for the San Luis Valley Economic Development District.

Michael John Alamosa County Commissioner

(Name & Title)

Date

8-15-21

Kevin Wilkins, Exec. Dir. SLVDRG/COG

(Name & Title)

Date

8/15/21

# 2021 San Luis Valley CEDS

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NPS photo/Patrick Myers

## The San Luis Valley Development Resources Group

*The mission of the San Luis Valley Development Resources Group is to promote and facilitate economic and community development programs which will create jobs, improve income and maintain the quality of life in the San Luis Valley. We are investing in ourselves.*

### THE ORGANIZATION

The San Luis Valley Development Resources Group is known for our innovative approach to both economic and community self-development projects. SLVDRG has served the six counties of the region – Alamosa, Conejos, Costilla, Mineral, Rio Grande and Saguache – since 1994. We are governed by an executive board comprised of representatives from local government and the private sector.

SLVDRG is the recognized by Colorado's Department of Local Affairs as the planning agency for State Planning Region 8, which encompasses the six counties of the region.

The U.S. Economic Development Administration has designated the region as an Economic Development District with SLVDRG as the certified planning agency. Among the programs administered by SLVDRG are:

- San Luis Valley Business Loan Fund – provides financing for business expansion, retention and start-up.
- San Luis Valley Enterprise Zone – state tax incentives that encourage businesses to locate and expand by offering up to nine tax credits that encourage job creation and investment.
- Comprehensive Economic Development Strategy (CEDS) – illustrates the economic development vision of the region and is one of

the Valley's most frequently referenced documents for demographics and statistics.

- Business Expansion and Relocation Assistance – provides businesses with first contact to local governments and organization, liaison with state and federal agencies, community information, and site identification and assessment.
- Transportation Planning – transportation planning with the Colorado Department of Transportation is coordinated through the San Luis Valley Transportation Planning Region and administered by SLVDRG.

As a regional organization, SLVDRG serves as a home for other organizations, providing personnel and administrative support to further their mission:

- San Luis Valley Council of Governments
- San Luis Valley Community Action Agency
- San Luis Valley Great Outdoors
- San Luis Valley Transportation Planning Region



NPS photo/Melanie Rawlins

## Executive Board

SECTOR	AFFILIATION
<b>Private</b>	
Kent Curtis	CEO, First Southwest Bank
Ashley Valdez, Sec./Treas.	Xcel Energy
<b>Public Officials</b>	
Tom McCracken	Saguache County Commissioner
Ramona Weber	Mineral County Commissioner
John Noffske	Rio Grande County Commissioner
Michael Carson	Alamosa City Councilor
<b>Community Leader</b>	
Karla Shriver	Farmer, Non-Profit
<b>Workforce Development</b>	
Michael Yohn, Chairman	Colorado Workforce Consortium, Alamosa County Commissioner
<b>Minority</b>	
Robert Espinoza	Costilla County Commissioner
Larry Zaragoza, V. Chair	La Jara Town Manager
<b>Higher Education</b>	
Jack Wiley	Dean of Instruction, Trinidad State Junior College

## Staff

**Kevin Wilkins – Executive Director**

**Anne Jones – Chief Financial Officer**

**Hew Hallock – Director of Research**

**Tonya Owsley – Director of SLVCAA**

**Marc Bellantoni – Business Loan Fund/San Luis Valley Enterprise Zone**





## THE REGION

### The San Luis Valley

The San Luis Valley in south-central Colorado is a well-known land feature in the state. Located about midway between Denver and Albuquerque, this is the largest alpine valley in North America. The vast, flat surface of the valley floor at 7,500 feet is bordered on the east by the sharply rising Sangre de Cristo Mountains, which ascend to 14,000-foot peaks, and to the west by the more gradually rising foothills and 12,000-foot peaks of the San Juans, which mark the Continental Divide. The Sangre de Cristos – Spanish for “blood of Christ” – are so-named for their rose hue at sunset.

Both ranges join near Poncha Pass at the north end of this valley forming a ring of mountains, while the open end to the south slopes gradually downward after crossing the New Mexico state line. The great open space of the desert plain and the rugged snow-capped peaks of the Sangre de Cristos in spring resemble a veritable “altiplano” of the Rockies. This is also home to the Great Sand Dunes, which are the tallest dunes in North America and of the Great Sand Dunes National Park and Preserve.

Boundaries of the San Luis Valley region are represented by the six counties of Alamosa, Conejos, Costilla, Mineral, Rio Grande, and Saguache, each

maintaining a separate identity but economically interdependent.

About 122 miles long from north to south, and about 74 miles across, this covers an area of 8,193 square miles; larger than the state of Massachusetts, but with a combined 2017 population of 46,578 (only 5.6 persons per square mile). Saguache County alone is larger than Delaware and Rhode Island combined.

Within its borders, the Valley harbors great diversity of natural and cultural settings. Landscape on the floor of the Valley changes dramatically with the presence of water. From its headwaters in the San Juans to the Texas coast, the Rio Grande is the nation's second longest river and the lifeblood of the Valley's agriculture and development in general. Canals and ditches from the Rio Grande and the Conejos River as its major tributary, supply one of the state's most important farming areas, famous for its potatoes, beer barley, alfalfa, and other crops.

Vegetation and cottonwood forests line these and lesser river courses across the Valley in contrast to the dominant tracts of greasewood and other desert plants. The state's most extensive system of wetlands is also found here, which supports a variety of wildlife and wildlife areas, including the famous stopover place for crane migration between Idaho and the Bosque del Apache in New Mexico.

The rise in elevation substantially changes the landscape as marked by a succession of plant and tree species shown on the schematic cross-section of the Valley. This begins with sage, followed by pinon-juniper, ponderosa pine, mixed conifer, aspen, extensive stands of Engelman spruce, and alpine tundra on the peaks.

Streams, lakes, and reservoirs are found higher up and on the flats as well. Several million acres of public land affords a variety of recreational opportunity, wildlife habitat, and protected wilderness areas with hiking trails.

A true sense of place captured by the Valley's natural setting is further enhanced by its depth of history, art, culture, and people as described later in this chapter and other parts of the analysis. Population is diverse, with 46.5 percent of Hispanic origin, many of whom are descendants of the early settlers from New Mexico.



*Alamosa Convention & Visitors Bureau*

## Location and Travel

It is 73 miles from I-25 to Alamosa. Alamosa and the Valley are about halfway between Denver (239 miles) and Albuquerque (214 miles). Driving time to Denver is four to four-and-a-half hours via US 160/I-25 or CO 17/US 285, and three-and-a-half to four hours via US 285/I-25 to Albuquerque.

Use of snow tires, chains, or four-wheel drive vehicles are frequently required for winter driving on La Veta pass to Walsenburg, and Wolf Creek pass to Pagosa Springs and Durango. Other passes including Cochetopa, Cumbres, Poncha, and US 285 at the New Mexico border may also require these conditions on a less frequent basis. Spring Creek and Slumgullion pass west of Creede on CO 149 may be closed in winter.

Air service at the San Luis Valley Regional Airport in Alamosa is provided by United Express to DIA Denver. Two flights per day go to and from DIA on Sunday, Monday, Wednesday, Thursdays and Fridays; one flight on Tuesday and Saturday. Flight time is about one hour. United Express does codeshare with United. Car rental is available at the airport, and shuttle service to area lodging may be available.

Bus service by the Colorado Department of Transportation's Bustang Outrider from Alamosa departs daily for Pueblo at 6 a.m. The bus route is north to Salida, proceeding to Pueblo or connecting to a route to Denver.

Travel times, by car, from Alamosa to other towns range from about 15 minutes to La Jara, 20 minutes to Monte Vista, one hour to San Luis, and 1.5 hours to Creede.





*NPS photo/Patrick Myers*

## Climate

Climate on the valley floor of the San Luis Valley is characterized by dry air, sunny days, clear nights, moderate/high evaporation, and large daily temperature extremes. Extremely frigid conditions and blizzards can occur, but severe weather conditions such as tornadoes, floods, deep snow, and damaging hail are uncommon. Surface winds are heaviest from March-June, and gusts of 30/mph and greater are common. The strongest winds reliably blow from the southwest.

The mountains, which surround the broad interior valley, form substantial barriers against approaching atmospheric moisture. As a result, the valley floor is the driest place in Colorado, typically receiving only 7-10 of inches of precipitation a year.

The Valley also acts as a large basin to trap cold air, creating temperature inversions where dense, cold air is trapped beneath warmer air. Extremely cold temperatures occur when clear weather follows winter storms with significant snowfall. With close to 350 days of sunshine, the cold temperatures are more bearable and noontime temperatures can be 35-40 degrees warmer than early mornings.

By contrast, the foothills and mountains receive gradually higher amounts of precipitation with the increase in elevation. Annual averages range from 7.1 inches in Alamosa (7,544 feet), 13.7 inches in Creede

(8,838 feet), and up to 45.4 inches on Wolf Creek Pass (10,850 feet).

Snowfall also follows the same pattern, with an average low of 24.6 inches in Center to an amazing 435.6 inches on Wolf Creek Pass. The Wolf Creek Ski Area typically has the best quantity and quality of snow of any ski area in the state, and snow depths of 60 inches or more are common. High elevation also explains why an area located this far south on the continent would have such relatively cold temperatures in winter and cool nights in summer.

Extremely low nighttime temperatures, which usually occur over a six-week period from around Christmas to early February, give the San Luis Valley a reputation of being one of the coldest places in the nation, but Gunnison and some other locales are as cold or colder. These reports do not take into account the relatively short number of hours over which these extremes occur, and the predictable sunshine, dryness of the air, and a sharp temperature rise by noonday. January average minimums ranging from -1.8 degrees F in Alamosa to 10.1 degrees F in Crestone. Alamosa also holds title to the extreme low of -42 degrees F. Summer high temperatures are usually milder than most parts of the Southwest, ranging from a July average maximum of 65.8 degrees F on Wolf Creek Pass to 83.5 degrees F in Crestone.

Recent years have had milder winters and warmer summers than experienced in the past, indicating a global warming trend and/or extended drought cycle.

Climate allows a growing season of 90-130 days, with frost-free days ranging from 73 in Monte Vista to 124 at the Great Sand Dunes.



*Photo Ryan Scavo, courtesy Wolf Creek Ski Area*



## Geology

The San Luis Valley is part of the much larger Rio Grande Rift Zone, which extends from southern New Mexico northward through the San Luis Valley to its northern termination near Poncha Pass. The Sangre de Cristo Mountains on the east are the result of extensive block faulting during the Laramide Orogeny, and the placement of Precambrian basement, Paleozoic sedimentary, and Tertiary intrusive rocks in contact with Tertiary valley-fill deposits. The San Juan Mountains on the western flank are the result of extensive Tertiary volcanism. In sharp contrast with the steeply faulted eastern side of the valley floor, the Oligocene volcanic rocks of the San Juans gently dip eastward into the valley floor where they are interbedded with valley-fill deposits.

Faults in the valley floor, which produce geothermal water flows, have not been much of a concern for earthquakes, but mild quakes do occur occasionally. An earthquake registering 3.4 on the Richter scale was registered at an epicenter 20 miles southwest of Del Norte in May 1991, with a previous quake of 3.1 in the same area in January 1988. A smaller quake in 2007 in San Luis registered 2.6.

## Land Ownership

A total of over 5.24 million acres is estimated within the six counties of the Valley, with 2.9 million acres under federal control (55 percent); 2.16 million acres private land (41 percent); and 178,711 acres (3 percent) owned by state government. Costilla County is virtually 100 percent privately owned, with Mineral County almost the exact opposite at 93.5 percent federal ownership. Alamosa shows 72.6 percent in private ownership, and only 19.8 percent federal.

Nearly two million acres (39.1 percent) of the Valley's acres are managed by the U.S. Forest Service, and a

little over 618,000 acres (11.8 percent) are under control of the Bureau of Land Management (BLM). Saguache and Mineral counties have the greatest concentrations of national forest, and Saguache and Conejos have the greatest concentrations of BLM. Federal lands managed by the National Park Service amount to 121,518 acres and represent 2.3 percent of the Valley, and the U.S. Fish and Wildlife Service now holds 105,521 acres, or 2 percent.



## Land Use

About 2.3 million (43.6 percent) of the total Valley acreage is utilized as rangeland; 2.1 million acres (39.3 percent) is forest; and a little over 616,000 acres (11.8 percent) is classified as agricultural land. County land uses vary from the regional pattern. Alamosa (60.4 percent), Conejos (51.7 percent), and Costilla (47.5 percent) have higher percentages in rangeland; Rio Grande (25.2 percent), Alamosa (24.3 percent), and Conejos (16.0 percent) have relatively greater shares for agriculture; and Mineral (71.2 percent) and Saguache (43.6 percent) have larger percentages of forest. About 2.1 million acres covering the area defined as the "valley floor." Larger concentrations include: heavy vegetation (21.2 percent); irrigated meadow (13.1 percent); medium vegetation (9.6 percent); and sparse vegetation (26.5 percent). Crop acreages include about 139,000 acres of alfalfa; 114,000 of grain; 80,000 acres of potatoes; 7,600 acres for other vegetables.

# The CEDS

The Comprehensive Economic Development Strategy (CEDS) refers to the planning process and document generated from it which sets forth the San Luis Valley's economic development vision, goals, strategies, and priorities in the next five years from 2021-2026. CEDS work for the Valley is carried out by the San Luis Valley Development Resources Group (SLVDRG), which is part of its responsibilities as one of the nation's 300 or more Economic Development District organizations designated and funded to provide these functions by the U.S. Department of Commerce, Economic Development Administration (EDA).

The 2021 CEDS represents the seventh major update, and is intended to build upon previous versions as a framework for economic development planning and as an essential reference document.

Beyond the document itself, work on the CEDS is intended to be ongoing, and provides the flexibility for annual reviews and evaluation of the strategies being carried out in order to make an effective response in the programming efforts to changing economic conditions, or in order to respond to new and unforeseen opportunities. As a performance-based plan, the CEDS will serve a critical role in the region's efforts to defend against economic dislocations due to global trade, competition, and other events resulting in the loss of jobs and private investment.



## CEDS Strategy Committee

**Ty Coleman** – Mayor, City of Alamosa  
**Mike Yohn** – Alamosa County Commissioner  
**Robert Espinoza** – Costilla County Commissioner  
**Ashley Valdez** – Xcel Energy  
**Jack Wiley** – Trinidad State Junior College  
**Tom McCracken** – Saguache County Commissioner  
**Kent Curtis** – First Southwest Bank  
**Larry Zaragoza** – Town Manager, Town of La Jara  
**Karla Shriver** – Farmer, Non-Profit, Community Leader  
**Ramona Weber** – Mineral County Commissioner  
**Michael Carson** – Councilor, City of Alamosa  
**Kairina Danforth** – Mayor, Town of Crestone

**Dan Hicks** – Town Manager, Town of South Fork  
**Kathy Woods** – Alamosa County Economic Development Corp.  
**Jason Medina** – San Luis Valley Small Business Development Center  
**Jeremy Elliot** – Costilla County Economic Development  
**Liza Marron** – Saguache County Sustainable Environment and Economic Development  
**Melinda Myers** – Saguache County Sustainable Environment and Economic Development  
**Barry van Sant** – Businessman, Community Leader  
**John Noffsker** – Rio Grande County Commissioner  
**Bernadette Martinez** – Town Manager, Town of Del Norte



# Demographic and Economic Overview of the District

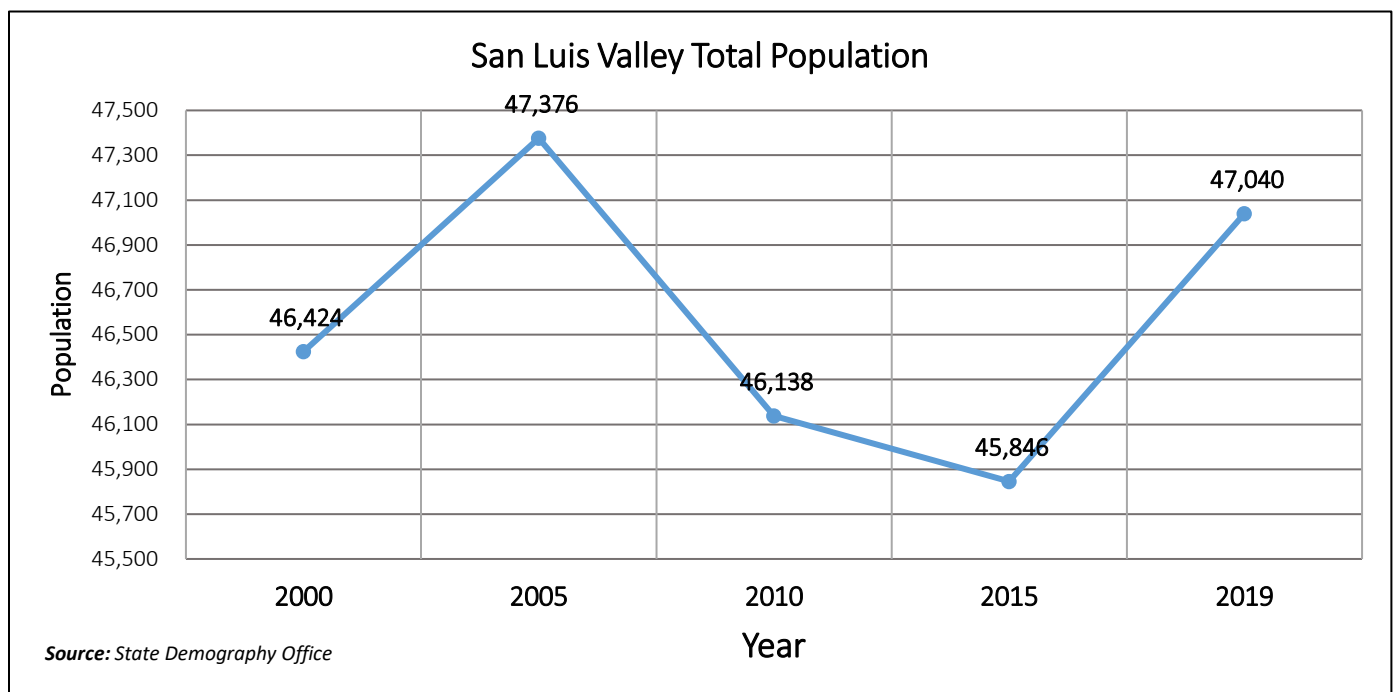
## Population

The official population estimate produced by the Colorado State Demography Office (SDO) is based on hard data for births and deaths, and follows a strict methodology for estimating net migration based on net changes in occupied housing units, job growth, and other factors. This is intended to focus as much as possible on the year-round resident population, and to exclude seasonal residents who should be included in the population counts of their home area or state. Because of a fairly large (but undocumented) number of seasonal residents in our region, an anecdotal estimate of 50,000 or above is often been used in various planning activities.

San Luis Valley Population Growth				
	San Luis Valley		Colorado	
Year	Population	% Change	Population	% Change
2000	43,424		4,338,765	
2005	47,376	9.1%	4,662,534	7.5%
2010	46,138	-2.6%	5,050,332	8.3%
2015	45,846	-0.6%	5,453,996	8.0%
2019	47,040	2.6%	5,762,976	5.6%

**Source:** State Demography Office

At the end of 2019, the estimated population of the San Luis Valley was 47,040, an increase of 1,194 over the population of in 2015. The growth rate for the San Luis Valley between 2015 and 2019 was 2.6 percent compared to 5.6 percent for the State of Colorado. A long-term look, 2000 to 2019, shows the Valley grew by 3,616 people. That represents an increase of 8.3 percent. By contrast, Colorado grew 32.8 percent during the same period.



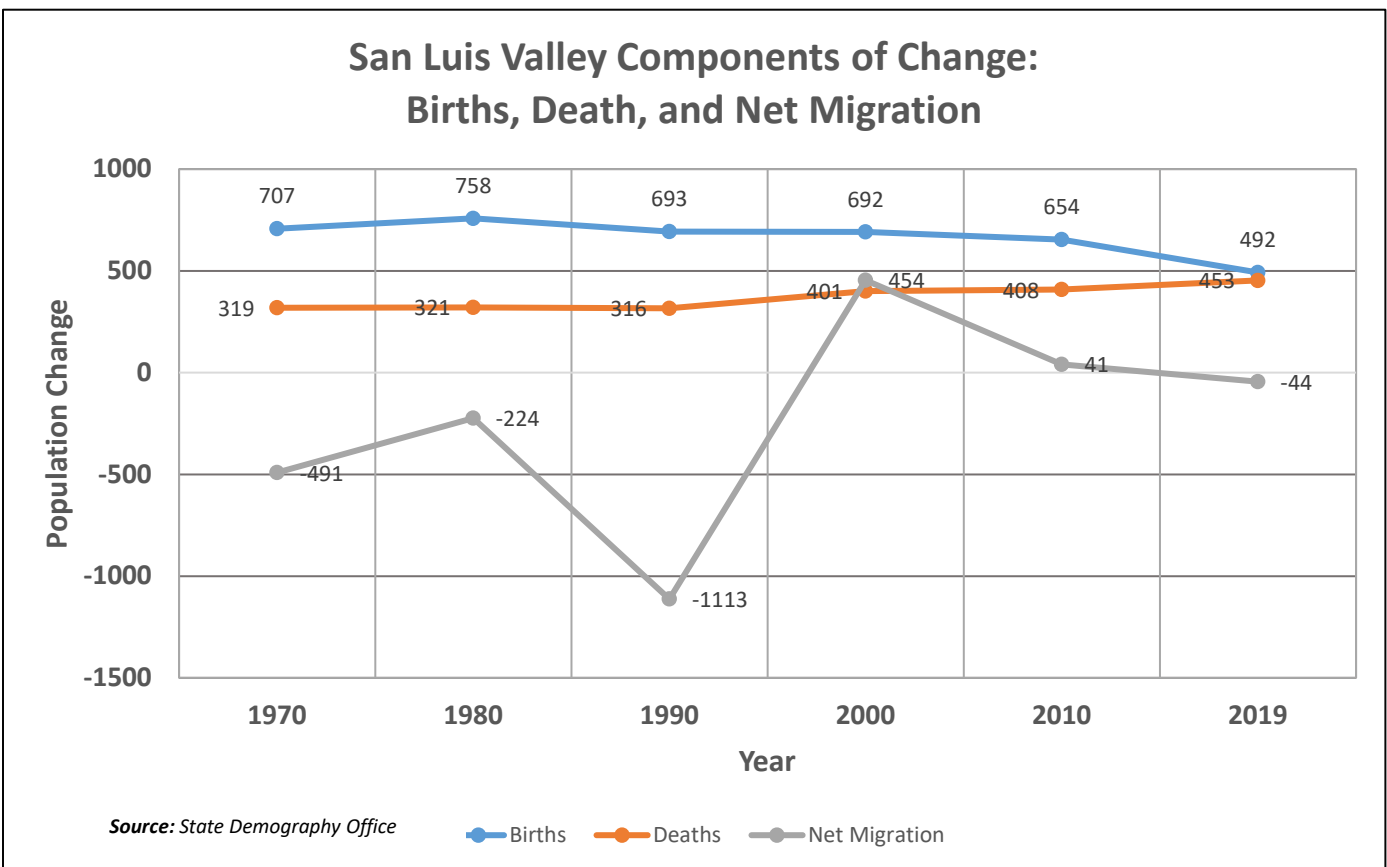
The population of the Valley is forecast to reach 47,056 by 2020 and 52,649 by 2050. The annual population growth rate is forecast to be less than one percent – around .4 percent – through 2050.

San Luis Valley Population Forecast, 2020 to 2050				
	2020	2030	2040	2050
<b>San Luis Valley</b>	47,056	49,397	51,033	52,649
Alamosa	16,514	18,690	20,469	22,133
Conejos	8,114	8,264	8,452	8,582
Costilla	3,780	3,714	3,648	3,651
Mineral	764	854	872	896
Rio Grande	11,159	11,311	11,163	11,045
Saguache	6,725	6,564	6,431	6,342

**Source:** State Demography Office

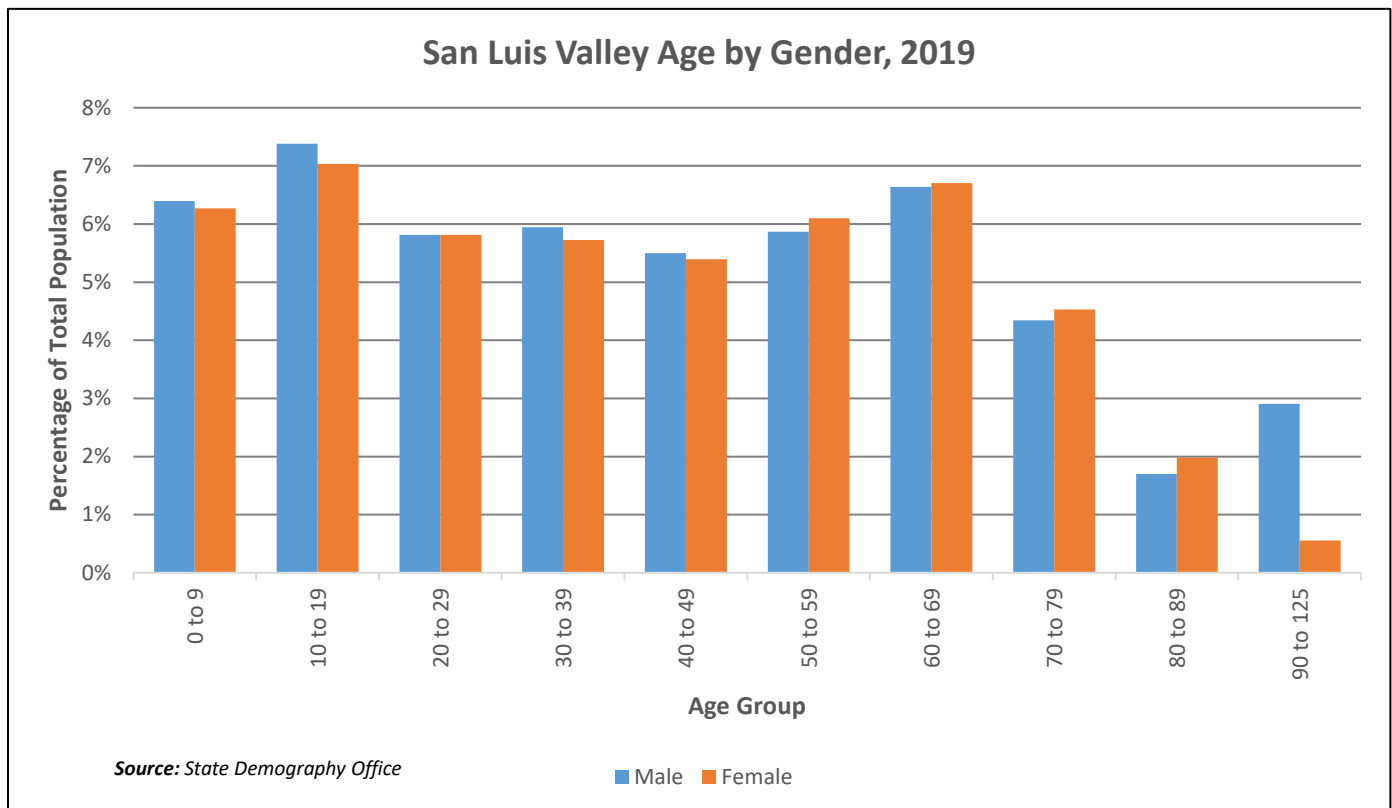
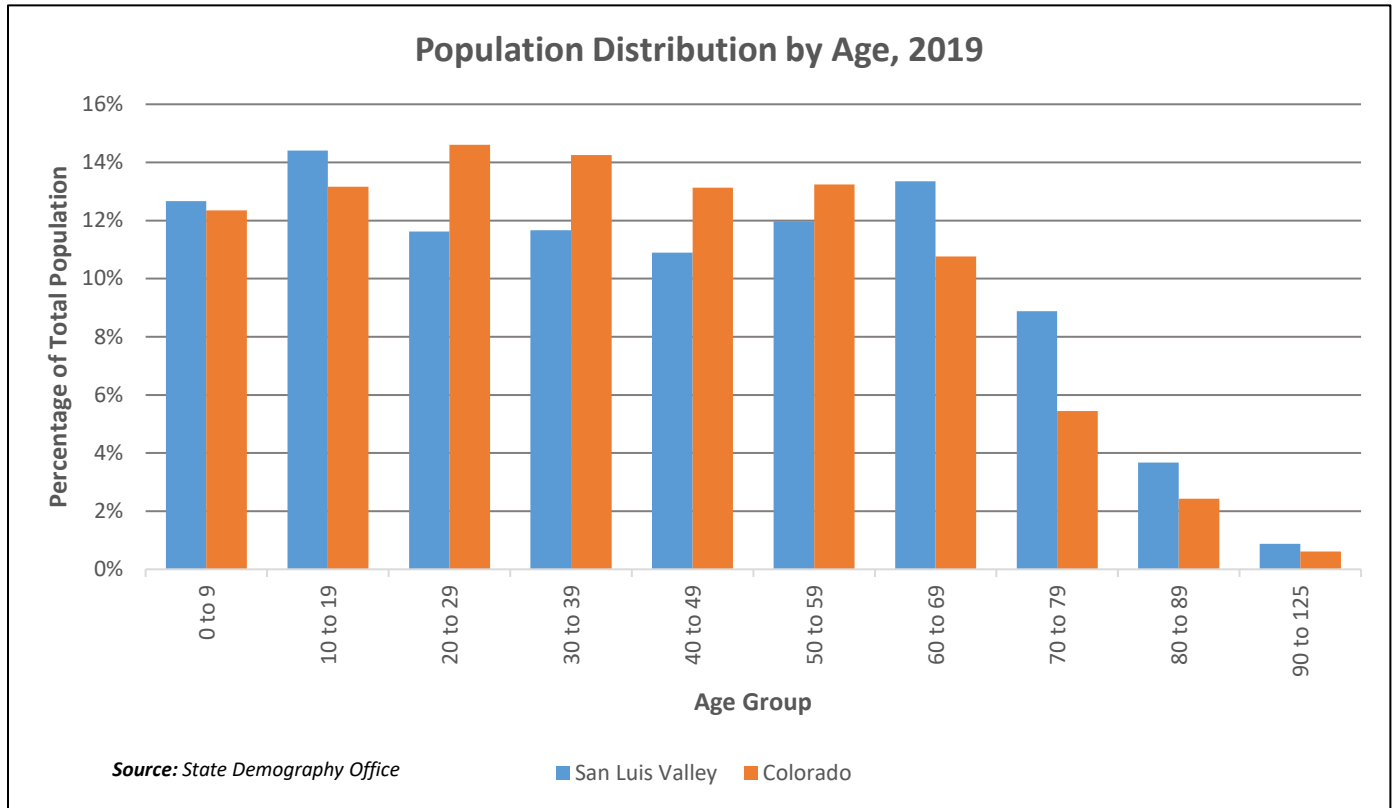
Births, deaths and net migration are the main components of population change. Net migration is the difference between the number of people moving into an area and the number of people moving out. Change in net migration typically causes most of the changes in population trends because migration is more likely to experience short-term fluctuations than births and deaths. Migration also tends to be highly correlated to job growth or decline in communities where most of the residents work where they live. For many counties with negative natural increase (more deaths than births), this makes migration especially important for population stability and growth.

From 1970 to 2019, the San Luis Valley has seen a decline in births and a slight increase in deaths. During the same period, net migration peaked in 2000 and has since levelled at around -40. The components of population change indicate the region is in a period of little growth in population.

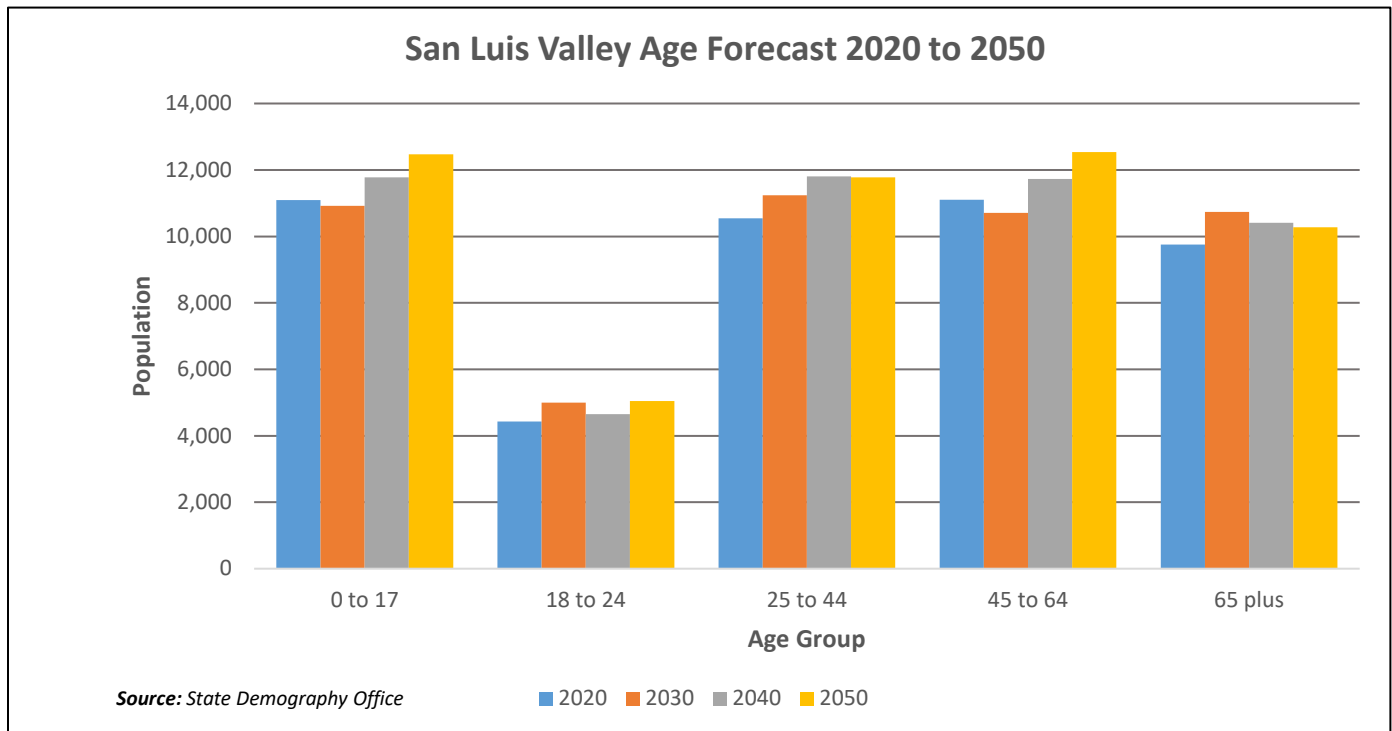




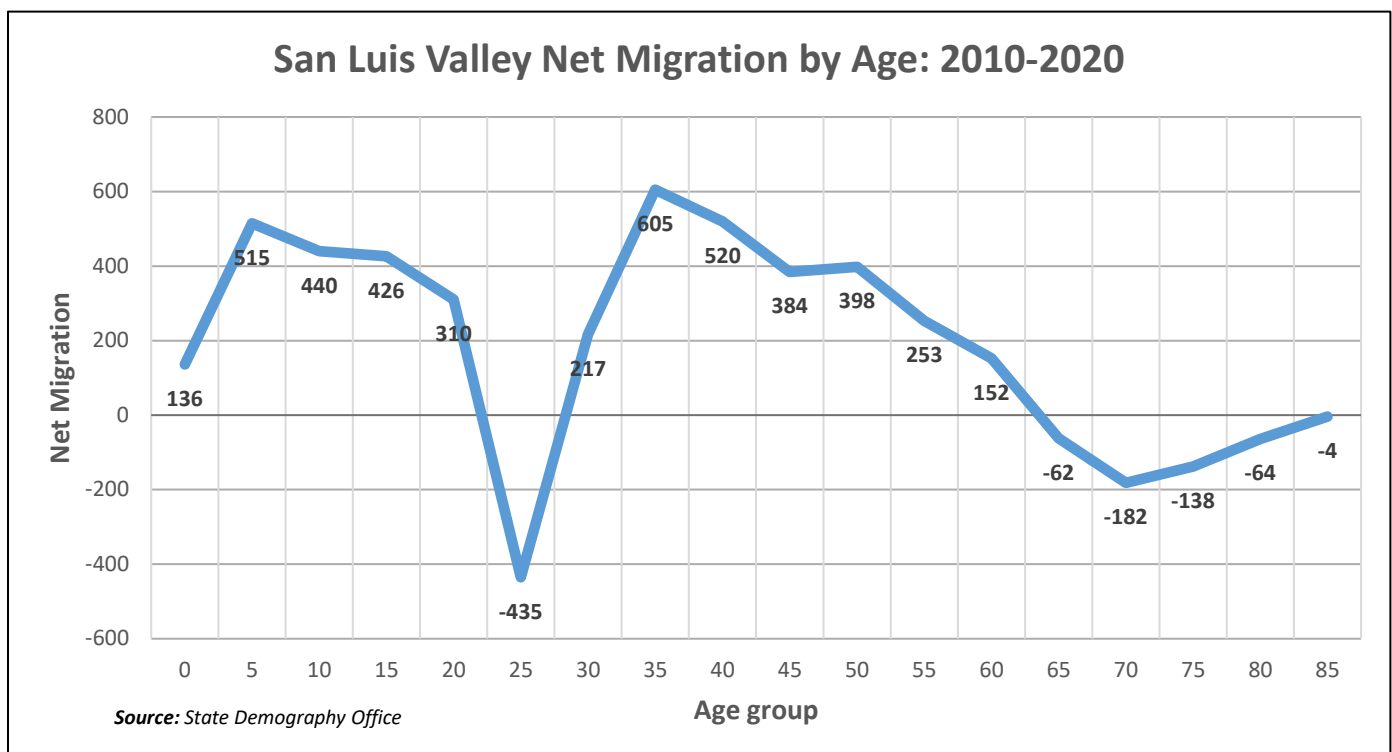
Every community or region has a different age profile and is aging differently. People in different age groups work, live, shop, and use resources differently and these differences will impact the economy, labor force, housing, school districts, day care facilities, health services, disability services, transportation, household income, and public finance. An aging population may put downward pressure on local government tax revenue due to changes in spending to taxable goods.



The changing age distribution of the population of the San Luis Valley for the period from 2020 through 2050 is shown here. The changes in proportion of different groups can highlight the need for future planning and service provision. Many areas have a larger share of older adults, indicating the need to evaluate housing, transportation and other needs of the senior population.



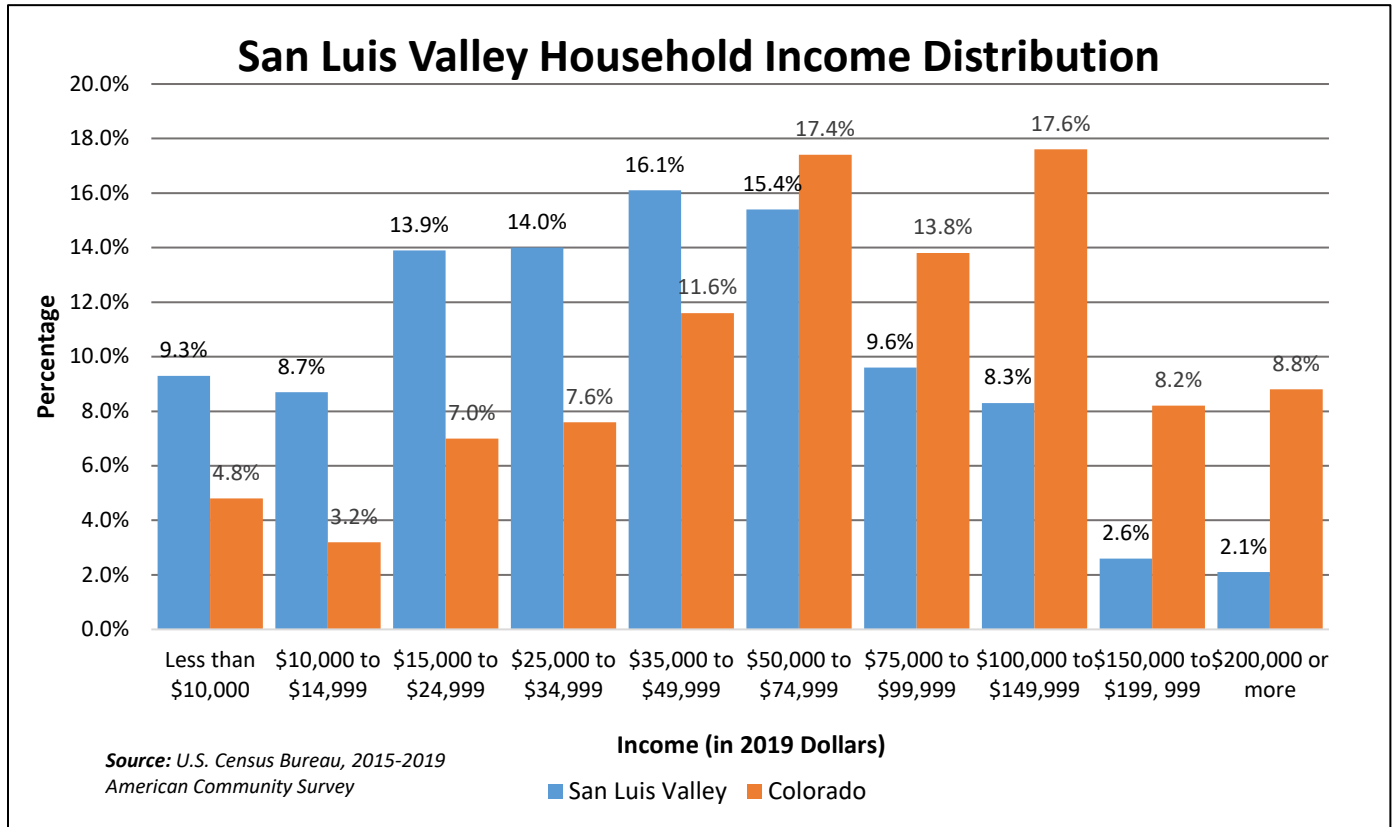
This plot shows the net migration by age in the San Luis Valley. Colorado typically draws many young adults as migrants. Areas with colleges and resorts draw a number of 18 to 24 year olds. Areas with a growing economy tend to account mostly 25 to 35 year olds and areas attractive to retirees tend to draw both workers and older adults.





## Household Income

Household income comes primarily from work, but government transfer payments such as Social Security and TANF, and unearned income from dividends, interest and rent are also included. Income and education levels are highly correlated; areas that have lower educational attainment than the state will typically have lower income household incomes.

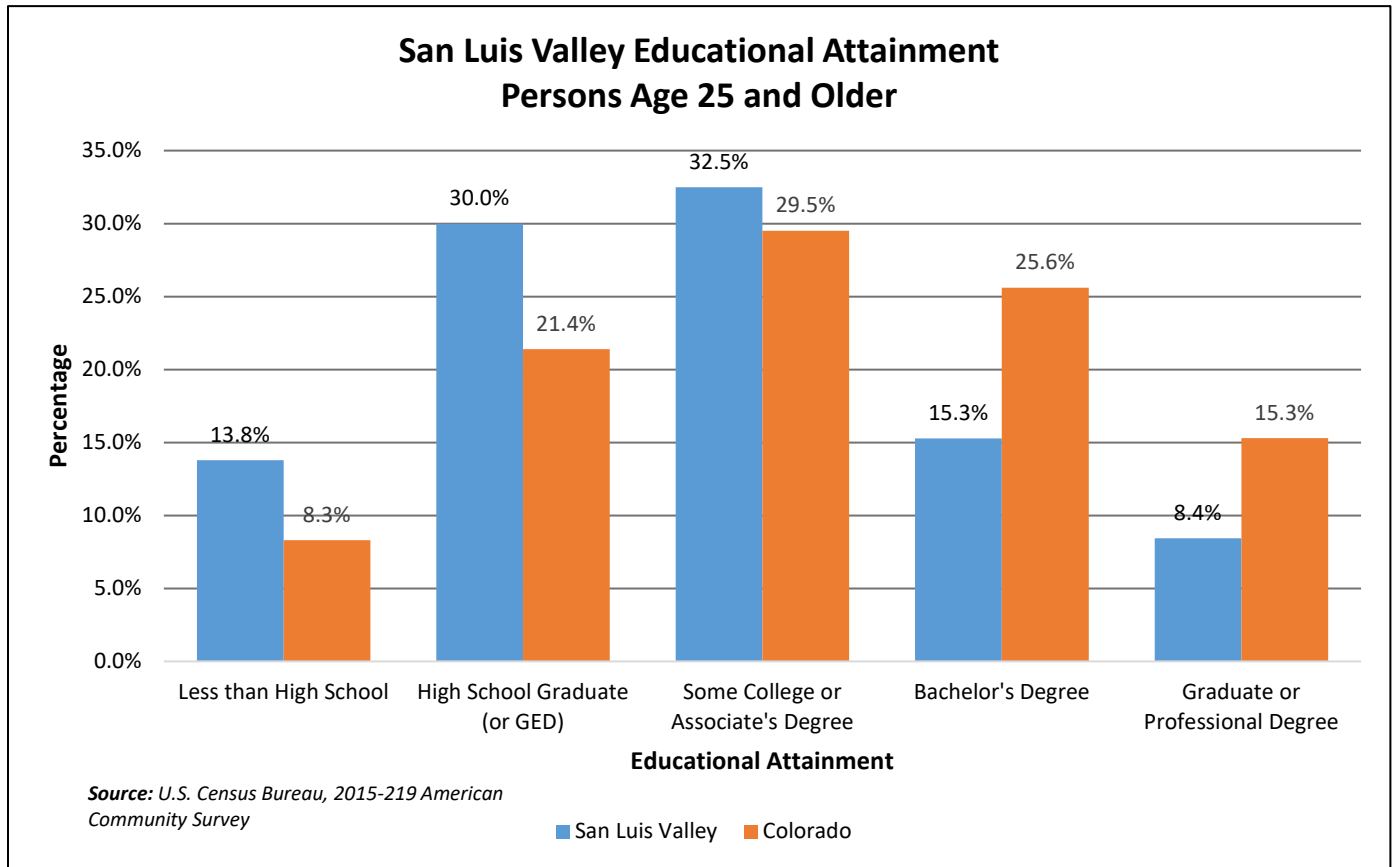


## San Luis Valley Household Income Sources

Income Sources	Households
All Households	19,141
With earnings	69.1%
With interest, dividends, or net rental income	16.9%
With Social Security income	36.1%
With Supplemental Security Income (SSI)	9.9%
With cash public assistance income or SNAP	21.3%
With retirement income	18.3%
With other types of income	10.4%

**Source:** U.S. Census Bureau, 2015-2019 American Community Survey

## Educational Attainment



## Race and Ethnicity

Population in the Census is reported on both racial and ethnic dimensions, wherein race includes White, Black/African American, American Indian/Alaska Native, Asian, Native Hawaiian/Pacific Islander, and other races. Hispanic/Latino includes all persons of any race who declared Hispanic or Latino affiliation.

San Luis Valley Race/Ethnicity Trend			
Race/Ethnicity	Census 2000	Census 2010	2015-2019 American Community Survey
Hispanic	48.3%	46.9%	46.3%
Non-Hispanic	55.5%	53.0%	53.7%
Non-Hispanic White	52.3%	49.8%	49.3%
Non-Hispanic Black	0.5%	0.4%	0.5%
Non-Hispanic Asian	0.5%	0.6%	0.5%
Non-Hispanic Native American/Alaska Native	2.0%	0.8%	1.4%
Non-Hispanic Native Hawaiian/Pacific Islander	0.1%	0.0%	0.2%
Non-Hispanic Other	22.4%	0.2%	0.2%
Non-Hispanic, Two Races	3.7%	1.3%	1.7%

**Sources:** 2000 Census; 2010 Census; U.S. Census Bureau, 2015-2019 American Community Survey

## San Luis Valley Race/Ethnicity Comparison

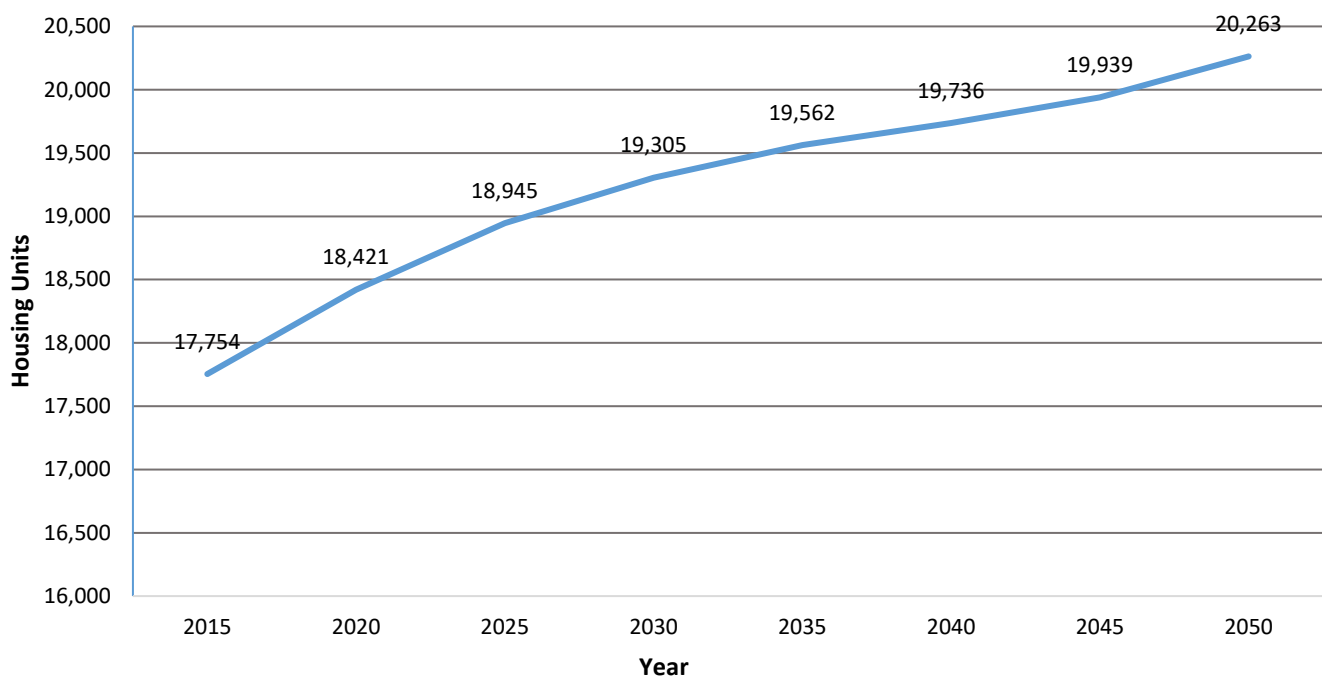
Race/Ethnicity	San Luis Valley	Colorado
Non-Hispanic Other	0.2%	0.2%
Non-Hispanic Native Hawaiian/Pacific Islander	0.2%	0.1%
Non-Hispanic White	49.3%	68.1%
Non-Hispanic	53.7%	78.5%
Hispanic	46.3%	21.5%
Non-Hispanic Black	0.5%	3.9%
Non-Hispanic Native American/Alaska Native	1.4%	0.5%
Non-Hispanic Asian	0.5%	3.1%
Non-Hispanic, Two Races	1.7%	2.5%

**Source:** U.S. Census Bureau, 2015-2019 American Community Survey

## Housing

Understanding the current housing stock is critical for understanding how the community can best address current and future demands. The projection of households is derived by county specific headship rates for the population by age. Beyond the numbers and characteristics, understanding the value and affordability of housing units is vital. Are the housing prices prohibitive to new families? Are the housing prices at such a high price that once the current work force ages and sells, those housing units will most likely go into the vacation seasonal markets? Or, are housing prices reasonable and suddenly the community is experiencing growth in families with children? How many total housing units are there? What types of new units are being built – multi-family vs single family?

### San Luis Valley Household Projection 2015-2050



**Source:** State Demography Office

— Housing Units



The availability of land and the cost of land can dictate whether housing is less dense, with a greater number of single family units or denser with a number of multifamily apartments and condos. The number of people per household can offer insights as to the composition of the households. Areas with a larger number of people per household often have more families with children under 18 or a number of roommates living together to share housing costs. Those with a smaller number of persons per household, likely have a larger share of single-person households.

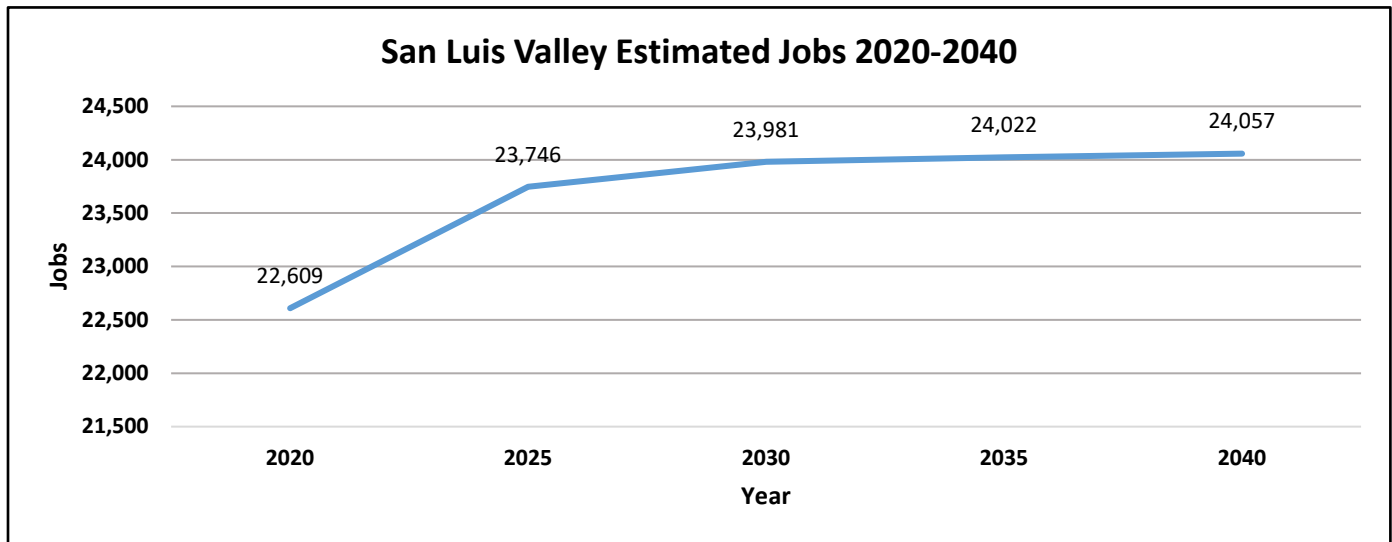
<b>San Luis Valley Housing Units 2019</b>	
<b>Housing Type</b>	<b>Value</b>
Total Housing Units	26,817
Occupied Housing Units	18,856
Vacant Housing Units	7,961
Vacancy Rate	0.3%
Total Population	47,040
Household Population	45,923
Group Quarters Population	1,117
Persons per Household	2.44
Owner-Occupied Housing	31,459
Rental Housing	6,148
<b>Source:</b> State Demography Office. U.S. Census Bureau, 2015-2019 American Community Survey	

<b>San Luis Valley Characteristics of Owner-Occupied Housing</b>				
	<b>People</b>		<b>Units</b>	
	Value	Percent	Value	Percent
Owner-Occupied Housing	31,459	100.0%	12,707	100.0%
Single Unit Buildings	25,076	79.7%	10,265	80.7%
Buildings with 2 to 4 Units	33	0.1%	14	0.1%
Buildings with 5 or More Units	76	0.2%	66	0.5%
Mobile Homes	6,207	19.7%	2,317	18.2%
RVs, Boats, Vans, Etc.	67	0.2%	45	0.3%
<b>Source:</b> U.S. Census Bureau, 2013-2017 American Community Survey				

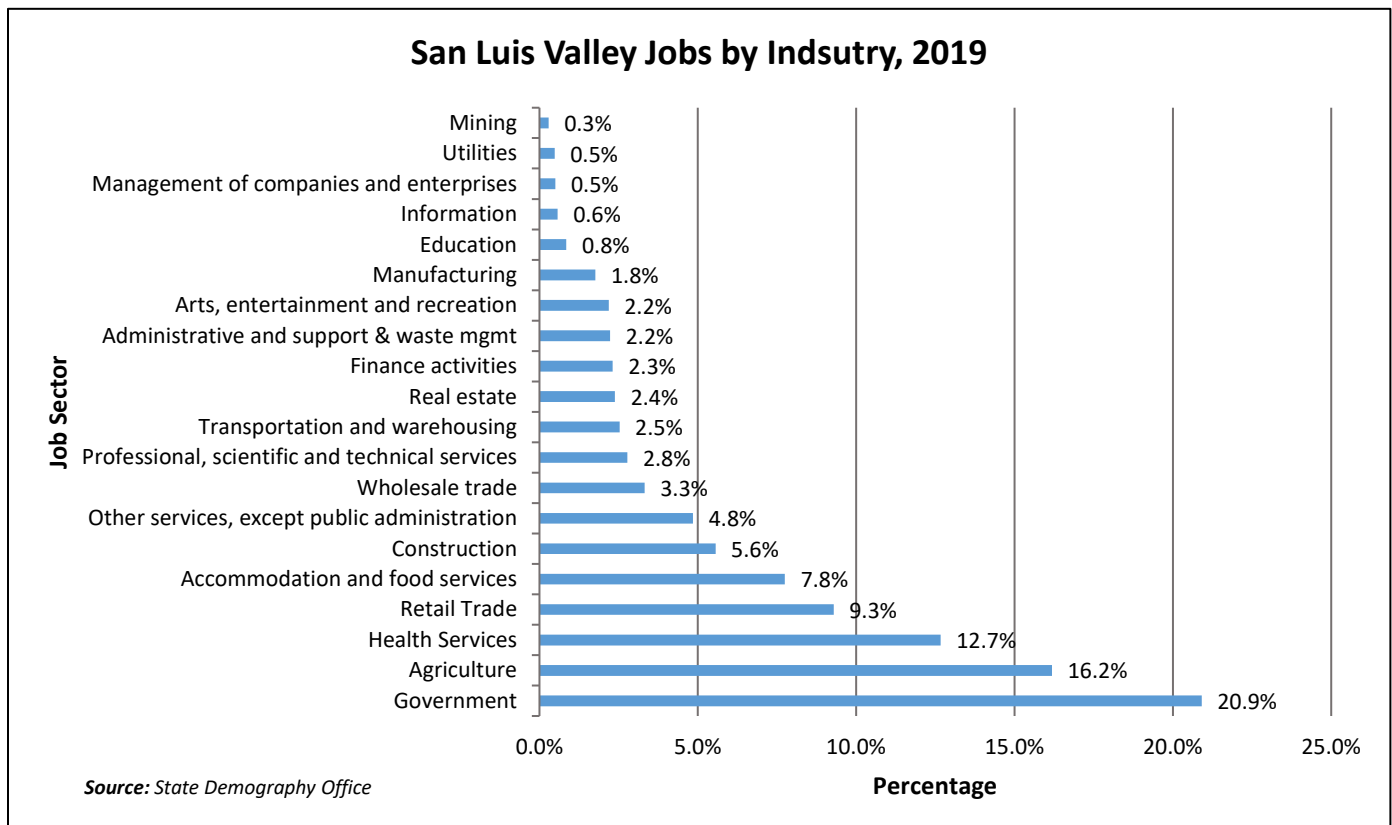
<b>San Luis Valley Characteristics of Rental Housing</b>				
	<b>People</b>		<b>Units</b>	
	Value	Percent	Value	Percent
Rental Housing	13,845	100.0%	6,148	100.0%
Single Unit Buildings	6,890	51.1%	2,632	42.8%
Buildings with 2 to 4 Units	2,185	15.8%	1,148	18.7%
Buildings with 5 or More Units	2,755	19.9%	1,473	24.0%
Mobile Homes	1,990	14.4%	883	14.4%
RVs, Boats, Vans, Etc.	25	0.2%	214	0.3%
<b>Source:</b> U.S. Census Bureau, 2013-2017 American Community Survey				

## Employment

Estimated jobs gives a comprehensive look at the number jobs located in the San Luis Valley. It is broad in scope, capturing both wage and salary workers, as well as most proprietors and agricultural workers. A more diverse economy is typically more resilient, too. When looking at the employment trends recently and after a recession, it is also important to look at the current share of employment by industry. Areas dependent on a single industry such as agriculture, mining or tourism can suffer from prolonged downturns due to drought, shifting demand for commodities, and the health of the national economy.



Identifying the industries which drive growth and change in a community is a vital part of understanding community dynamics. Growth in jobs results in growth in residents from migration to a community. Identifying the trends of growth and decline of jobs and the types of jobs available within the community is important.



## Base Industries

The total estimated jobs are subdivided into 3 categories:

- *Direct Basic*: jobs that bring outside dollars into the community by selling goods or services outside the county, such as manufacturing or engineering services,
- *Indirect Basic*: jobs that are created as the result of goods and services purchased by direct basic such as accounting services or raw material inputs, and
- *Local (Resident) Services*: jobs that are supported when income earned from the base industries is spent locally at retailers or are supported by local tax dollars to provide services like education and public safety.

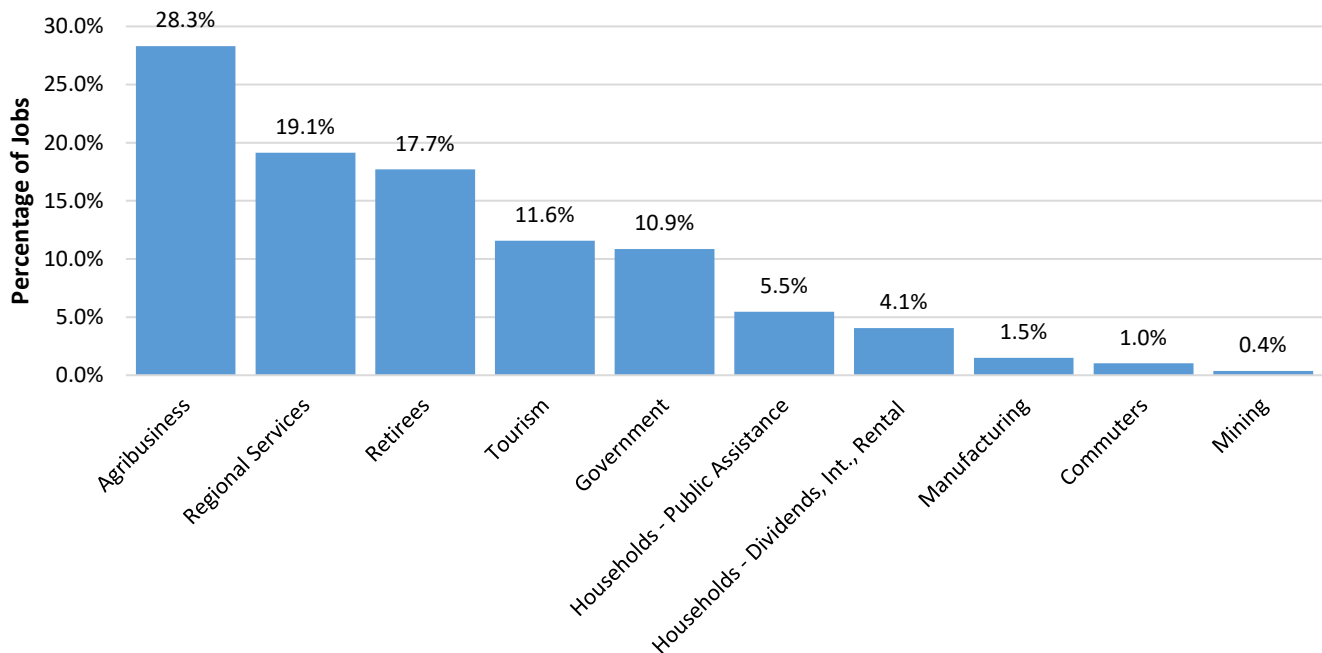
### San Luis Valley Jobs by Industry Category, 2019

Industry Category	Jobs	Percent
Direct Basic Employment	17,603	73.6%
Indirect Basic Employment	1,819	7.6%
Local Services Employment	4,486	18.7%
Total Employment	23,916	100.0%

**Source:** State Demography Office

Similar to industry employment, areas with large amounts of diversity in their base industries tend to suffer less during downturns and recovers more quickly. *Regional Services* is a diverse base industry that encompasses all services and goods that a region sells to those in surrounding areas. Examples include specialized health care, construction, air or rail transportation, and large item retail purchases like autos or appliances. *Retirees* are considered basic since they spend money from Social Security or other pensions, Medicare and savings. *Government* typically only includes employment in federal government and state government. *Tourism* not only includes traditional tourist services like accommodation and food, but also includes second homes, property management and transportation of tourists by airlines, car rental, car sharing and shuttles.

### San Luis Valley Basic Industries, 2019



**Source:** State Demography Office

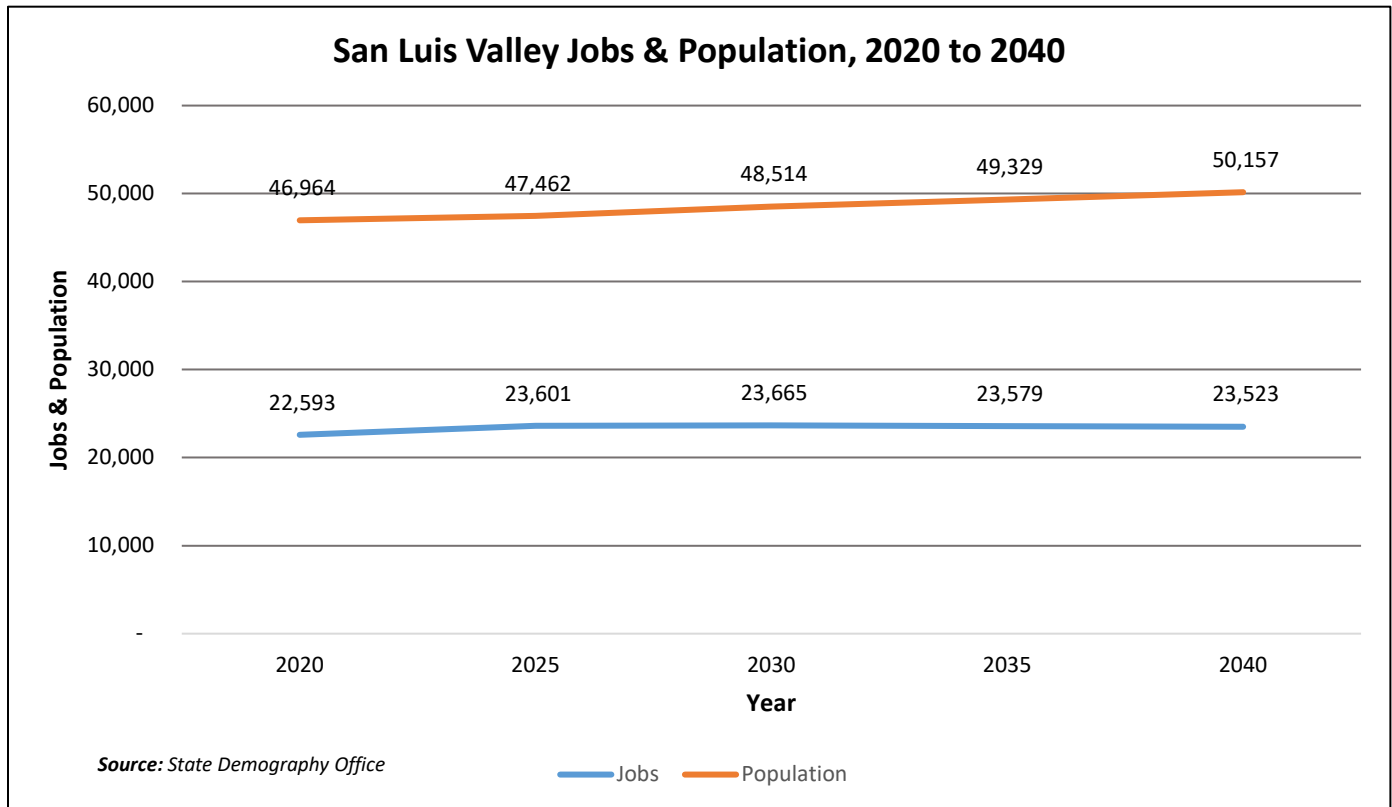
**Base Industries**



## Employment Forecast

Understanding the types of jobs forecast to grow in a community, if jobs are forecast to increase, will aid in further understanding potential changes in population, labor force, housing demand, and household income. Important questions to ask include: What is the current forecast for job growth based on the current industry mix? What types of jobs are forecast to grow? What are the wages for those jobs? What are the labor force trends for the community? Is the labor force expected to grow or slow-down?

The two lines diverge over time due to the aging of our population and continued growth in our under 18 population – two segments of the population that are less likely to be employed. Growth in the 65 plus population in the labor force through 2040 compared to the universe population of those over the age of 16 since labor force participation declines with age, especially among those eligible for pensions or social security.



## Economic Resilience

Identifying the major economic sectors in the regional economy helps to illustrate the region's economic resiliency – where diversity lies and where the economy is susceptible to external shocks and larger economic trends.

The San Luis Valley is a rural economy with agriculture as its major economic driver – as goes agriculture, so goes the region. Nearly one-third of the Valley's direct base industry income comes from agriculture production, processing of agricultural products, and inputs to production and processing.

Household income from unearned sources such as retirement plans, public assistance, and interest, dividends and rents, makes up nearly a quarter of the regional direct base industry income.

Government, from all levels, also plays a major role in the region with it accounting for about 15 percent of base industry income.

Regionally, tourism is less important than it is individually to Mineral County, where it accounts for almost 70 percent of the county's base industry income

## Influences on Regional Economy

**National Economic Trends** – The San Luis Valley economy is generally less affected by national factors than other regions and is resistant to boom and bust cycles. An exception was the Great Recession of 2008 when unemployment rose significantly in all counties of the Valley; housing construction, particularly second homes, came to a halt; and lending tightened.

The region was affected by the COVID-19 pandemic but less so than the Great Recession. Some segments of the economy were indeed impacted – entertainment, restaurants, gyms – but the region saw increases in tourism and retail sales over the previous year. We campgrounds were full and attractions experience capacity numbers. Retail sales for the region increased over \$100 million going from \$1.2 billion in 2019 to \$1.3 billion in 2020.

**Economic Sector Trends** – Some segments of the regional economy are influenced by downturns as well as upswings within those sectors. The most significant example is prices for agricultural products. In the past years, cattle prices have dropped significantly due to a national increase in cattle inventories. Potatoes prices are dependent upon production in other states like Idaho and Washington, and upon export opportunities. Alfalfa has held its strong price position with the



NPS photo/Patrick Myers

region's premium dairy hay selling \$150 to \$200 per ton.

**External Economic Shocks** – Natural disasters and the influences of nature seem to have the biggest impacts on the Valley's economy but it is also influenced by governmental policy and budgetary decisions.

- **Payment In Lieu of Taxes (PILT)** – The federal government pays counties for untaxable federal land in their boundaries. In 2018, that meant over \$3.3 million in income to the region, a critical portion of county budgets. In the past, delays by Congress to pass legislation authorizing PILT payments have negatively impacted local governments.
- **Wildfires** – Surrounded by forest, the Valley's economy is extremely susceptible to the impacts of wildfires. That was re-enforced the summer of 2018 with the Spring Creek fire that burned over 108,000 acres of forest in Costilla and Huerfano counties, making it the third largest fire in Colorado history. The entire region experienced significant economic losses due to the fire. Vehicle traffic west into the San Luis Valley was halted and hindered for over a week during the last of June and the first of July – prime tourist season.

- **Flooding** – Communities along the Rio Grande and Conejos rivers may be subject to flooding during spring run-off with potential for property damage. Irrigation systems and agriculture land are also susceptible to flood damage.
- **Drought** – The region has been under drought conditions over 15 years, the effects of which have taken a drastic toll on underground water resources used for crop irrigation. Lower river flows have also affected surface irrigation. The result has been higher production costs, reduced production of some crops, and fallowing of land.
- **Climate Change** – The region's forests and watershed have been significantly affected by changes in temperature and precipitation. Lower snowpack has meant less runoff for streams and rivers, impacting agricultural and municipal water users. Warmer winters and earlier springs have meant earlier runoff available for irrigators and shorter irrigation seasons. The spruce bark beetle has infested 480,000 acres of timber in the Rio Grande National Forest since 2005 and will continue to devastate the forest as the number of affected acres grows. This, too, negatively affects the region's watershed.
- **Non-earned Income** – Over 64 percent of the region's households receive for Social Security, Supplemental Security Income, and/or cash public assistance. National economic conditions affect retirement plans and earnings from dividends and interest. Public policy affects Social Security, Medicare, and public assistance.
- **Building Economic Resiliency** – In order to withstand and recover from economic disasters to the San Luis Valley economy, SLV Development Resources Group has identified three goals to build economic resiliency:
  - 1. Diversify and Strengthen Economic Base
  - 2. Enhance Business Retention and Expansion Programs
  - 3. Promote Business Continuity

More immediate response to economic disasters and relief for the region's businesses can be achieved by using programs, initiatives and collaborations already at SLVDRG's disposal. Among those are:

- **Revolving Loan Fund** – By cooperating with banks, private lenders, and other financing sources, the RLF can provide gap financing for businesses that will create or retain jobs, or

businesses considered low to moderate income with less than five employees.

- **San Luis Valley Enterprise Zone** – State tax credits enhance and provide ways for investment in projects in the region. The credits include:
  - \$2,500 credit for each job created by a new business facility
  - Additional \$500 for each job created by a new business facility if new jobs are in ag processing jobs
  - \$200 credit for each employee covered by employee-sponsored health insurance program
  - Tax credit for research and development
  - Tax credit for rehabilitation of vacant buildings
  - Incentives for job training
  - State sales tax and use tax exemptions
  - Further incentives may be negotiated by local governments
  - Three percent investment tax credit
  - Twenty-five percent tax credit for contributions to enterprise zone projects.
- **Expertise** – SLVDRG has the expertise to assist projects with partnerships, collaborations, grant writing and grant administration, and data collection and research.

**Emergency Preparedness** – In case of public health and natural disaster emergencies, county and regional emergency response and preparedness plans are in place. Throughout the six counties of the San Luis Valley, citizens can be alerted to any type of emergency by the San Luis Valley E911 Authority, [www.slve911.org](http://www.slve911.org), which is responsible for the regional emergency notification system. Individuals are encouraged to register their contact information with the E911 system via the website. In case of an emergency, the system will use its database of phone numbers and physical addresses to contact anyone within the affected area. Depending on the nature of the emergency, the system may attempt to leave a voicemail if the user is unable to answer.

Emergency officials may also use the notification system to supply residents with the latest information via phone through a recorded emergency message. Examples of emergencies include evacuation notices, bio-terrorism alerts, boil water notices, and missing child reports.



The Emergency Alert System may be activated to broadcast emergency alerts and messages on radio KSLV 1240 AM or 96.5 FM. Each county in the region has a designated emergency manager with responsibility for preparing emergency action plans; eliminating or reducing hazards; providing information to the public and public officials; training, exercising and evaluating plans; and coordinating disaster relief and recovery efforts.

Emergency Managers are funded, in part, by the Department of Homeland Security and the Colorado Division of Emergency Management. The Colorado Division of Emergency Management offers technical assistance and helps obtain state or federal aid when it is available. Unique to the region is the San Luis Valley Emergency Operations Center, SLVEOC, the only organized regional response system in Colorado. Emergencies that go beyond the capacity of local emergency managers can be handled by SLVEOC, in cooperation with county incident command operations. The SLVEOC brings enhanced technical, manpower and financial resources to an incident. The SLVEOC is governed by a board made up of officials, health, and emergency personnel from each county. Formal regional plans do exist for situations dealing with deployment or activation of the Strategic National Stockpile and Mass Casualty Incidents.

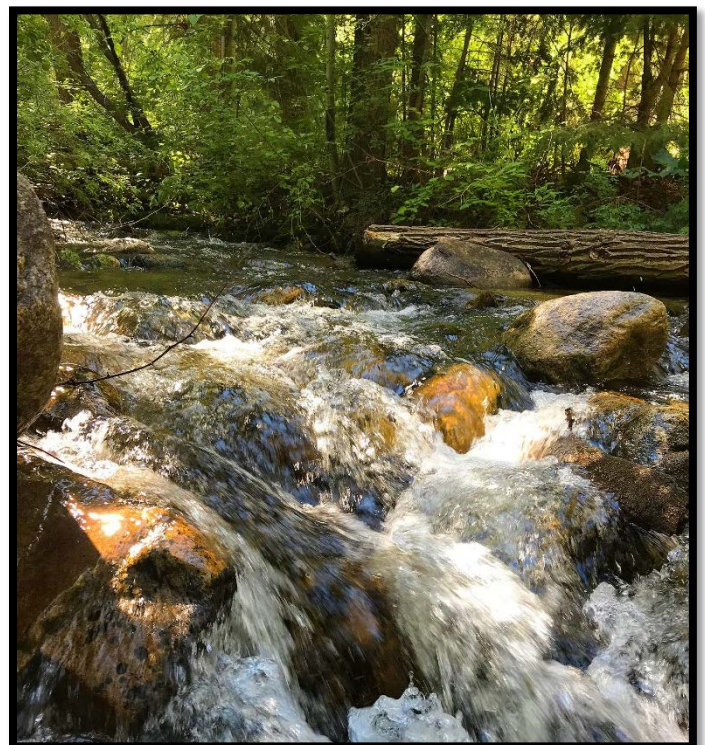
San Luis Valley RETAC (Regional EMS/Trauma Advisory Council) encompasses all six counties of the San Luis Valley and exists to “develop, foster and support excellence in trauma and the emergency medical system within the San Luis Valley.” SLV RETAC is an important participant in response planning and responding to emergencies, bringing regional knowledge and resources to emergency situations. Some of SLV RETAC’s work includes:

- Facilitating communication between ambulance agencies and healthcare partners in the region with regular meetings.
- Supporting regional medical direction efforts.
- Coordinating and assisting with grant applications and donations of equipment and other ambulance service needs.
- Participating in two healthcare coalitions that encompass the San Luis Valley.

**Response to COVID-19 Pandemic** – With supplemental funding from the CARES Act through the Economic Development Administration, the San Luis Valley Development Resources Group has hired a

Disaster Recovery Coordinator (DRC) for a two-year period to serve the six-county region of the San Luis Valley. The DRC will work to identify potential resiliency, mitigation, and economic recovery projects in the region. Specific responsibilities include:

- Implement economic recovery and resilience plans with the goal of rebuilding resilient and sustainable communities throughout the region;
- Assist in local, state, and federal coronavirus recovery planning efforts among the most highly impacted communities;
- Help identify economic development grant-eligible projects with state and federal resources for locally impacted communities to ensure these entities take full advantage of available funding opportunities;
- Identify and foster private and non-profit partnership opportunities;
- Serve as a liaison between local, state, and federal partners in order to speed the recovery process through strategic technical assistance and local capacity augmentation for the highly impacted communities within the region;
- Facilitate the implementation of locally generated disaster recovery economic development projects developed as part of the CEDS or CEDS-aligned economic recovery and resiliency plans.



NPS photo/Patrick Myers

# Strengths – Weaknesses – Opportunities – Threats

## Strengths

- Unique culture and history*
- Outdoor recreation opportunities*
- Diverse agricultural economy*
- Higher education*
- Renewable energy resources*

## Weaknesses

- Economies of scale*
- Freight – logistics*
- Isolation – cost driver*
- Persistent poverty*
- Limited career opportunities*
- Limited gas, electric, tech capacity*
- Lack of affordable housing*
- Low Median Household Income*
- Limited transit services*
- Maturing workforce*

## Opportunities

- Demand for natural and local food products*
- Hemp production and processing*
- Expanded healthcare services*
- Value-added agriculture*
- Growing outdoor recreation economy*

## Threats

- Water resource management*
- Lack of utility redundancy*
- Capacity – population*
- Political leadership*
- Aging demographic*
- Shortage of adequate housing*





## Visions and Aspirations

***The mission of the San Luis Valley Development Resources Group is to promote and facilitate Economic and Community Development Programs which will create jobs, Improve Income and maintain the quality of life in the San Luis Valley.***

***We are investing in ourselves.***

Regional expectations are reflected in the vision statement expressed above and in previous CEDS. These aspirations are as follows:

- Communities and people are self-sufficient and working at safe, year-round jobs at or above livable wages.
- We want sustainable growth, but don't want the Valley to be overrun with people.
- Governments, businesses, non-profits, and citizens are working cooperatively towards proactively planned growth.
- Agriculture remains a major part of our economic base, and we see more value-added and niche markets helping agriculture.
- We want the Valley's water supply to be stable and secure, and will be vigilant in protecting this resource for human, community, and economic stability.
- Higher education institutions to have a stronger role in workforce development.
- Affordable housing should be available to all.
- We see transportation systems that meet our needs and grow our economy, and envision a Valley wide transit system.
- Expand tourism in a managed fashion, but not to dominate the economy.
- Our cultural heritage, arts, natural surroundings, and recreational opportunities are unique to our region and can be utilized to bring more income and jobs.
- We care about the environment and look for solutions to economic development that do no harm to the natural surroundings.
- Quality healthcare is accessible and affordable to all.
- We care about youth, those with special needs, and the elderly.



*Courtesy photo/Brenda Felmlee*



# Goals, Objectives and Strategies

CEDS Goal Objective Strategy	Priority	Timeline	Stakeholders	Evaluation
<b><u>A. Retain, Grow &amp; Recruit Business</u></b>				
<b>1. Market state &amp; local programs that assess local business.</b>				
a. Continue to administer Colorado Enterprise Zone Tax Credit program.	High	Ongoing	SLVDRG*	Number of certificates approved, jobs created, local investment
b. Continue to provide gap financing through San Luis Valley Business Loan Fund.	High	Ongoing	SLVDRG*	Loans processed, jobs created/retained, local investment
c. Support San Luis Valley Small Business Development Center.	High	Ongoing	SLVDRG*, OEDIT	Clients assisted
<b>2. Market state &amp; local programs that assist local business.</b>	Medium	Ongoing	SLVDRG	News releases, social media, personal contact
<b>3. Continue to provide demographic &amp; other data services to local government, businesses &amp; non-profits.</b>	Medium	Ongoing	SLVDRG*, DOLA	Publication of statistical profile, public presentations
<b>4. Develop alliances with southern Colorado regional markets and continue leadership role in Action 22.</b>	Medium	Ongoing	SLVDRG*, Action 22	Participation. Leadership in Action 22
<b>5. Assist agricultural businesses that incorporate locally-grown products into value-added products.</b>				
a. Assess value-added agriculture opportunities	High	2021-2023	SLVDRG*	Completion of assessment
b. Cooperate with Adams State Univ. Value-Added Age Sector Partnership	Low	Ongoing	SLVDRG*, ASU	Cooperative programs initiated

CEDS Goal Objective Strategy	Priority	Timeline	Stakeholders	Evaluation
<b><u>B. Increase Access to Capital</u></b>  1. Provide lending through San Luis Valley Business Loan Fund & state or federal loan programs.  2. Continue cooperation & participation with area lenders on business loans.	High	Ongoing	SLVDRG*, OEDIT, EDA	Loans processed, jobs created/retained
<b><u>C. Grow outdoor recreation infrastructure, promote outdoor recreational opportunities, and continue support of San Luis Valley Great Outdoors (SLV GO!).</u></b>	High	Ongoing	SLVDRG, SLV GO!*	Number of visitors & tax revenue
<b><u>D. Promote SLVDRG as the repository for research, demographics, &amp; federal &amp; state economic development programs for the San Luis Valley.</u></b>  1. Continue to produce annual statistical profile of the region.	Medium	Annually	SLVDRG*	Profile compiled.
2. Respond to requests for economic & demographic information from individuals, businesses, non-profits, local & state government.	High	Ongoing	SLVDRG*	Number of responses to inquiries.

CEDS Goal Objective Strategy	Priority	Timeline	Stakeholders	Evaluation
<p><b><u>E. Develop and implement a disaster recovery and resiliency economic development plan focused on pandemic recovery and resiliency.</u></b></p> <p><b>1. Fund a recovery coordinator for a two-year period to serve the communities and facilitate projects within the region.</b></p> <p><b>a.</b> Assist in the development of sector (cluster) strategies for agricultural and health care industries as they pertain to economic recovery.</p> <p><b>b.</b> Promote/offer economic development training &amp; educational summit related to recovery local EDO's in the region.</p> <p><b>c.</b> Implement business retention and expansion (BR&amp;E) call program to evaluate the needs and conditions of primary employers subsequent of the COVID disruption.</p> <p><b>d.</b> Conduct a certified site analysis - business targeting and marketing - to assist in site location and analysis for business startup, recruitment or expansion resulting in a stronger, more diverse economy increasing resiliency in future disruptions.</p> <p><b>e.</b> Identify a business recruitment strategy with industry cluster representatives targeted at reinforcing supply chain opportunities, expanding markets, adding value, and diversifying the economy to rebuild and strengthen the local economy post pandemic.</p>	High	2021-2023	SLVDRG*	Plan developed and implemented
	High	2021-2023	SLVDRG*	Coordinator hired
	High	2021-2023	SLVDRG*	Strategies developed
	High	2021-2023	SLVDRG*	Summits & trainings held
	High	2021-23	SLVDRG*	Call program completed
	Moderate	2021-2023	SLVDRG*	Analysis completed
	Moderate	2021-2023	SLVDRG*	Cluster strategy developed

CEDS Goal Objective Strategy	Priority	Timeline	Stakeholders	Evaluation
<p><b>f.</b> Identify a business recruitment strategy for primary industry recruitment opportunities by adding value and diversifying economy to rebuild and strengthen the local economy post pandemic;</p> <p><b>g.</b> Engage a contractor to provide training to SLV EDOs or Chambers of Commerce to reinforce the existing economic development organizational framework of the area to be better prepared for future disaster impact.</p> <p><b>2. Provide technical assistance and capacity-building for member organizations, local businesses, and other local stakeholders impacted by COVID.</b></p> <p><b>a.</b> Coordinate a regional summit to promote economic development training &amp; education related to economic recovery for the region. Convene Colorado Planning regions 6,7,13, &amp; 14 to maximize resiliency on a broader regional collaboration post-pandemic.</p> <p><b>b.</b> For training and organizational capacity, engage with the land grant universities, including but not limited to Colorado State University, in specialized training enhancing targeted primary employers within the local economic leadership to be better prepared for future disaster impact.</p> <p><b>*Denotes lead organization for task</b></p>	<p>High</p> <p>Moderate</p> <p>High</p> <p>Moderate</p> <p>Moderate</p>	<p>2021-2023</p> <p>2021-2023</p> <p>2021-2023</p> <p>2021-2023</p> <p>2021-2023</p>	<p>SLVDRG*</p> <p>SLVDRG*</p> <p>SLVDRG*</p> <p>SLVDRG*</p> <p>SLVDRG*</p>	<p>Recruitment strategy identified</p> <p>Contractor hired &amp; trainings held</p> <p>Number of requests for assistance &amp; number assisted</p> <p>Summit held</p> <p>Trainings held</p>



# Evaluation

An evaluation of accomplishments achieved carrying out the goals and objectives of the CEDS will be done annually by SLVDRG. Staff will prepare a report covering the calendar year that will address the accomplishments or advancements made; changes in economic conditions; changes in resources and funding; and other factors which may affect performance of the plan. The outcome of this review will be to determine what strategies are working and which are not; where we are getting the best return on investment of staff time and resources; improvements needed in the strategy design or effort placed; relevancy of goals and strategies to current situations; revisions needed in the priority order; and improvements or revisions needed in the evaluation criteria or process itself.

## Performance Measures

Performance measures are critical to evaluating progress made towards meeting the goals and objectives of the CEDS. The performance measures selected may be subject to further refinement and revision as part of the ongoing CEDS process. Those performance measures are:

- Jobs created as a result of SLVDRG activities, regardless of goal category, objective, strategy, tool, source, or partnership arrangement.
- Jobs retained as a result of CEDS implementation.
- Quality of jobs created or retained in terms of wages, occupation, skills, benefits, and other factors.
- Amount of private sector investment in the region.
- Notable changes in economic environment of the region attributed to the programs, projects, and activities being carried out.
- Number and types of investment undertaken in the region.
- Employment and unemployment numbers.
- Changes in labor force.
- Changes in number of jobs.
- Poverty rates.
- Per capita and household income.
- Housing statistics.
- Demographics.
- Changes in agricultural production – types of crops planted; acreage planted; prices received.



NPS photo/Patrick Myers

## Resources

**Colorado State Demography Office** – <https://demography.dola.colorado.gov/>

The State Demography Office is committed to increasing data accessibility for the public. This includes informing state agencies, local governments and the news media of demographic developments and assisting them in understanding and interpreting demographic data and information.

Additional services and products include:

- Community profiles
- Easy to use webmaps
- Publications and presentations
- Economic and demographic data requests
- User training workshops on how to access and use available data
- Presentations on economic and demographic data and trends
- General data use assistance

**U.S. Census Bureau** – <https://data.census.gov/cedsci/>

The Census Bureau is the leading source of quality data about the nation's people and economy.

**San Luis Valley Development Resources Group** – [www.slvdrg.org](http://www.slvdrg.org)

Our online source for data, reports, and projects for the San Luis Valley Development Resources Group.

**San Luis Valley Housing Coalition** - <https://sites.google.com/slvhc.com/slvhc>

SLVHC completed a housing study in 2021 for all six counties in the San Luis Valley. The study is “deep dive” into the communities of the region providing very useful demographic and economic data and analysis.