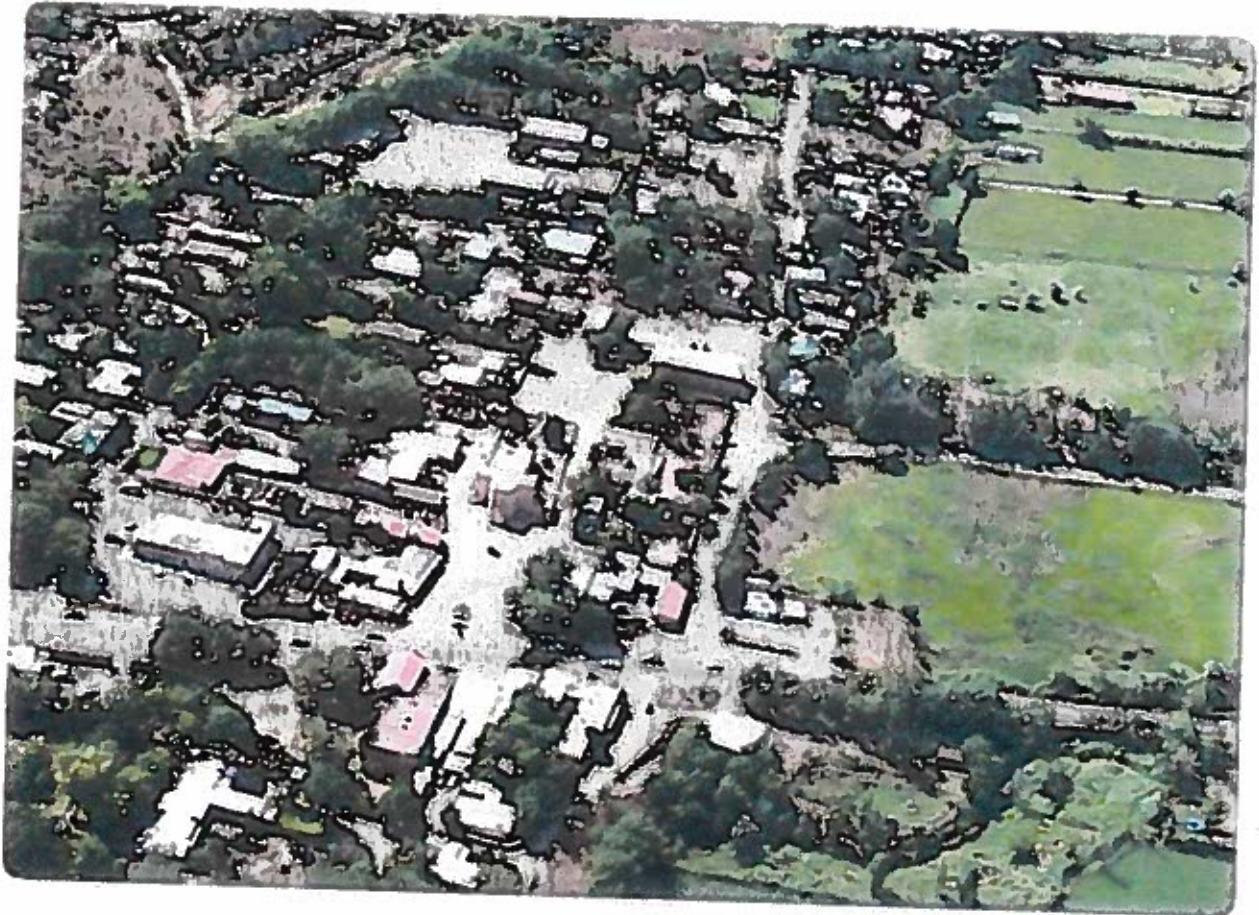




Taos County Economic Development Plan

*Prepared for:
Taos County Board of Commissioners
Taos, New Mexico*



*Prepared by:
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CommunityByDesign*

Draft January 3, 2017

Acknowledgements

Taos County Economic Development Plan

Taos, New Mexico

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Gabriel Romero - District III
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Candyce O'Donnell - District V

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Funding for the Economic Development Plan was from a planning grant provided by the NM Finance Authority.

This Economic Development would not have been possible without the dedicated support and numerous volunteer hours provided by the citizens of the County in attending meetings and providing review comments and their priorities that will continue to make Taos County a great place to live and work.

Adopted XXXX
Ordinance # XXXX

I. Introduction

The Taos County Economic Development Plan represents a concerted effort by Taos County to create a long-term foundation for economic prosperity, within the context of the County's Comprehensive Plan. The County Comprehensive Plan is the policy document that guides growth within the County, and this Plan is the next step and implementation of the Economic Development element of the Comprehensive Plan. The Plan is designed with a 20-year planning horizon with goals and strategic actions to achieve those goals. The Plan Recommendations chapter provides a narrative to further elaborate on achieving implementation of the strategic actions. The County Administration and Planning staffs have worked closely with the consulting team engaged for this project. Community input was incorporated in the form of a steering committee, interviews and community meetings, supplemented by research into other communities and prevailing best practices in economic development. It is designed to build on prior successes, while also charting new directions.

Local Economic Development Act (LEDA)

The Local Economic Development Act allows local governments the ability to provide public funds for economic development purposes and not violate the State's anti-donation clause. Taos County has an adopted LEDA ordinance #2006-5 that needs to be updated as part of this plan approval as well as to the NM LEDA legislative amendments that occurred in 2007 and 2013. This Economic Development Plan is in line with the updated LEDA requirements. LEDA states that the Economic Development Plan or the Ordinance adopting the plan may:

1. Describe the local or regional government's economic development and community goals and assign priorities and strategies for achieving those goals.
2. Describe the types of qualifying entities and economic activities that will qualify for economic development projects.
3. Describe the criteria to be used to determine eligibility of an economic development project and a qualifying entity to participate in an economic development project.
4. Describe the manner in which a qualifying entity may submit an economic development project application, including the type of information required from the qualifying entity sufficient to ensure its solvency and ability to perform its contractual obligations, its commitment to remain in the community and its commitment to the stated economic development goals of the local or regional government.
5. Describe the process the local or regional government will use to verify the information submitted on an economic development project application.
6. If an economic development project is determined to be unsuccessful or if a qualifying entity seeks to leave the area, describe the methods the local or regional government will use to terminate its economic assistance and recoup its investment.
7. Identify revenue sources, including those of local or regional government that will be used to support economic development projects.
8. Identify other resources the local or regional government is prepared to offer qualifying entities, including specific land or buildings it is willing to lease, sell, or

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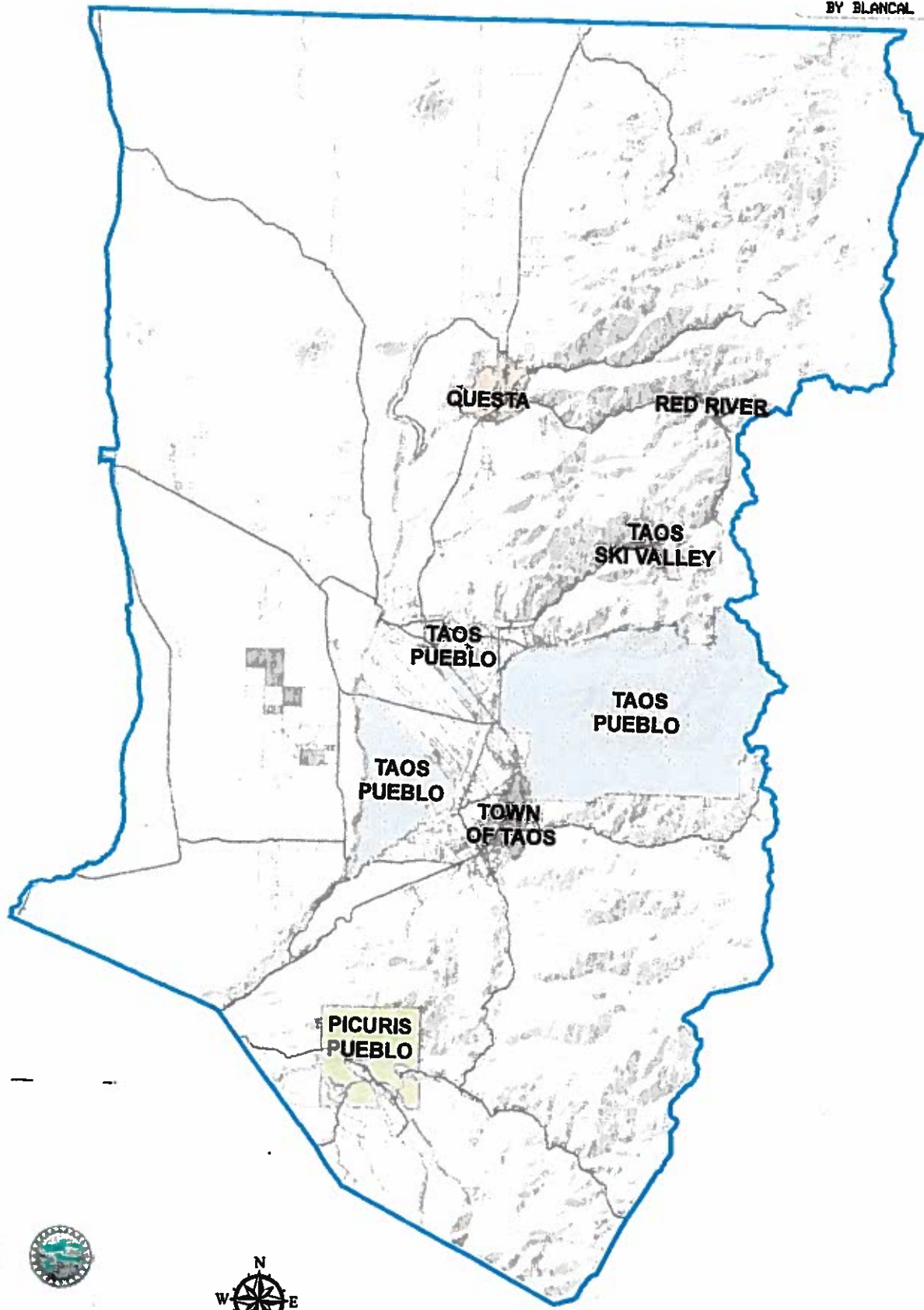
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- grant a qualifying entity; community infrastructure it is willing to build, extend or expand, including roads, water, sewers, or other utilities; and professional services contracts by local or regional governments necessary to provide these resources.
9. Detail the minimum benefit the local or regional government requires from a qualifying entity, including: the number and types of jobs to be created; the proposed payroll; repayment of loans, if any; purchase by the qualifying entity of local or regional government-provided land, buildings, or infrastructure; the public to private investment ratio; and direct local tax base expansion.
 10. Describe the safeguards of public resources that will be ensured, including specific ways the local or regional government can recover any costs, land, buildings, or other thing of value if a qualifying entity ceases operation, relocates or otherwise defaults or reneges on its contractual or implied obligations to the local or regional government.

The Taos County Economic Development Plan and associated LEDA ordinance was made possible from a planning grant provided by the NM Finance Authority.

MUNICIPALITIES/PUEBLOS

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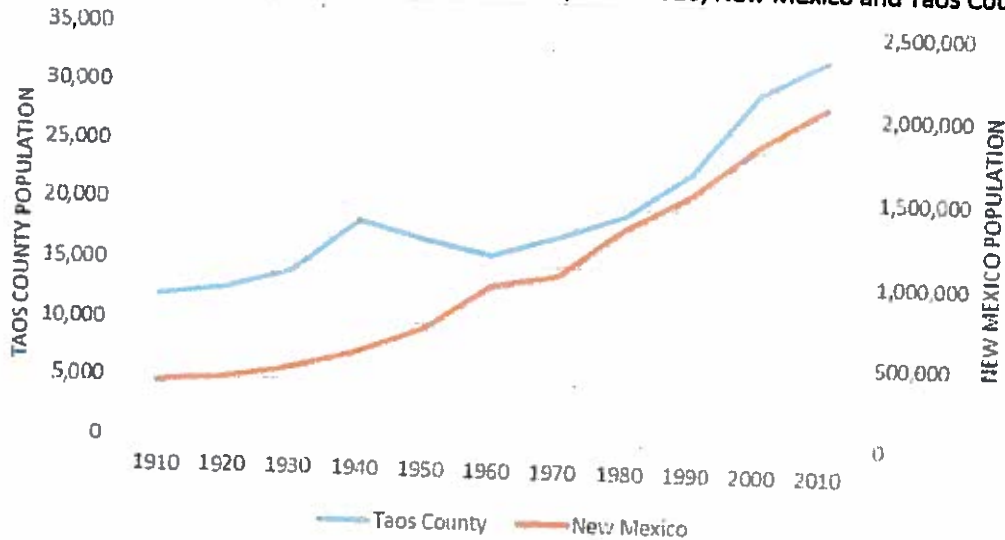
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Data Sources: Taos County, ESRI

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Population

FIGURE 1. One Hundred Years of Population Growth, 1910-2010, New Mexico and Taos County.



Source: U.S. Census Bureau, Decennial Censuses from 1900 through 2010, compiled by the Bureau of Business and Economic Research, University of New Mexico.

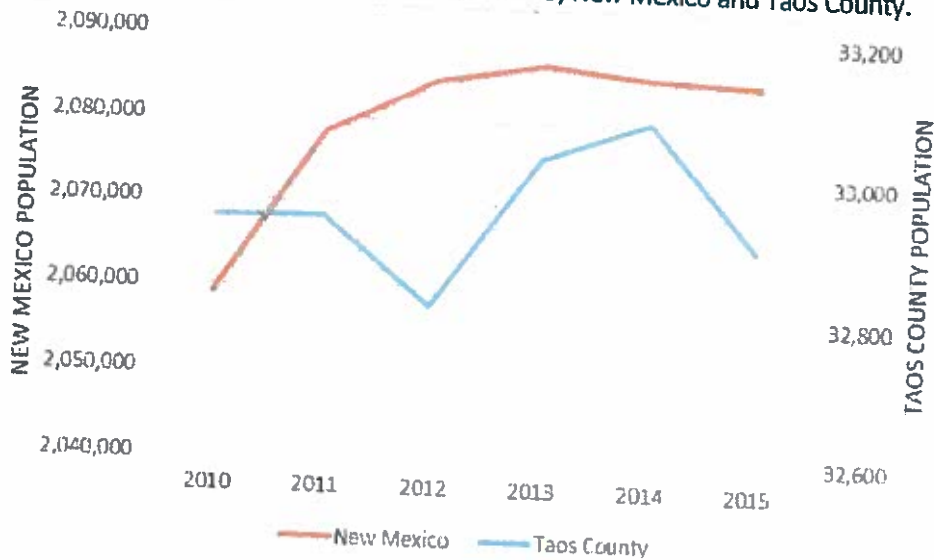
Taos County began losing population in the 1940's in response to a range of stressors within the County including challenges to the viability of the agricultural sector and lack of economic opportunity in an increasingly wage-oriented economy.

The County saw increasing rates of population growth from the 1960's through the early 2000's, largely attributable to in-migration from outside the County and State. Between 1990 and 2000, the County saw strong population growth at an average annual rate of 2.39% per year but with the Great Recession came decreased geographic mobility, decreased incomes for retirees and a decrease in the demand for second homes nationally, essentially halting most non-natural population growth in the County. This combined with a fast paced out-migration of the legacy Hispano population at a rate of -1.94% per year between 2000 and 2010, has left Taos County in a state of nearly stagnant, slightly negative population growth, with an estimated average annual rate of -.02% between 2010 and 2015. Most recent projections from University of New Mexico's Geospatial Population Studies¹ estimate a -2.03% population loss in Taos County between 2010 and 2030.

¹ Rhatigan, Robert (November, 2015) 'New Mexico Population Estimates and Projections', New Mexico Data User's Conference. University of New Mexico Geo Spatial Population Studies.

II. Economic Indicators

FIGURE 2: Population Growth Estimates 2010-2015, New Mexico and Taos County.

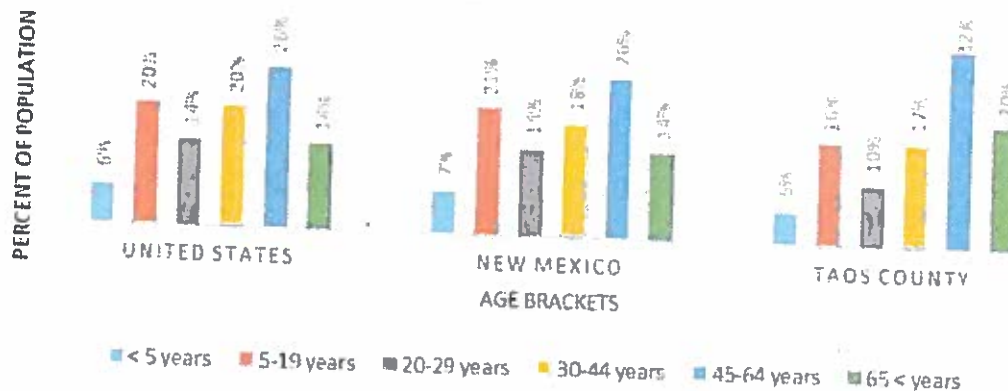


Source: U.S. Census Bureau, Population Estimates Program, compiled by the Bureau of Business and Economic Research, University of New Mexico

Age

The median age in Taos County is 48.1 years – much higher than we see statewide (37.3)². Looking at Figure 3 below we can see that just over half of the population is over the age of 44 – compared to 40% of the population statewide and nationally. This leads to a high aged dependency ratio in Taos County at 32.6%, compared to 23.2% statewide and 21.9% nationwide.

FIGURE 3. Population of United States, New Mexico and Taos County by Age Bracket, 2010-2014, Average.



Source: U.S. Census Bureau, American Community Survey 2010-2014.

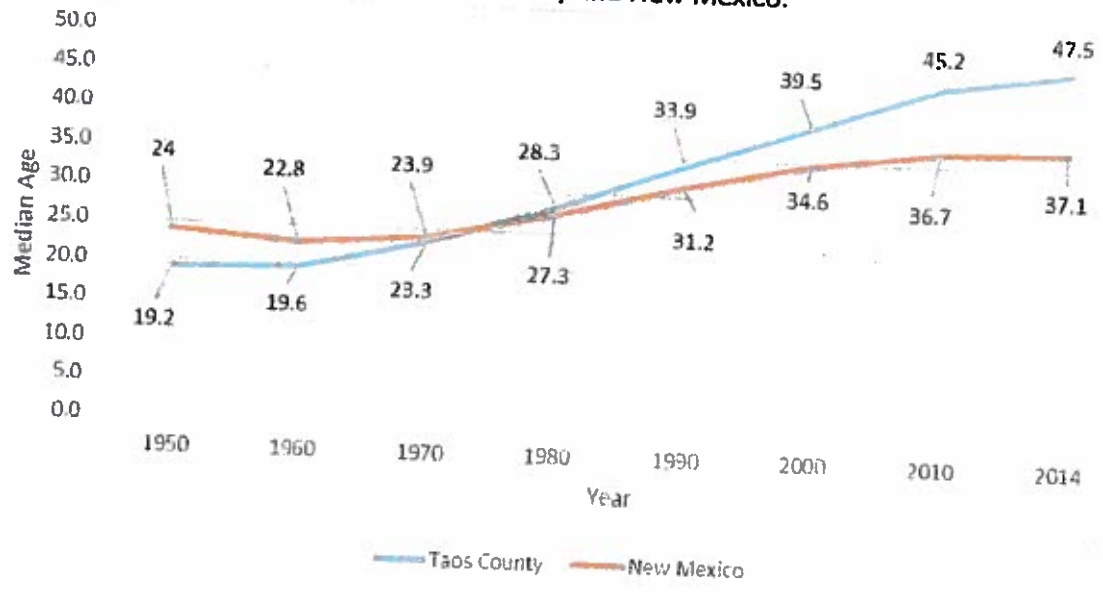
Taos County has become increasingly popular among retirees from across the country and has a high rate of long-term residents aging in place. Meanwhile, cost of living and lack of opportunity push younger

² Census Bureau Population Estimates Program, 2015 Estimate.

II. Economic Indicators

generations to pursue more affordable communities with greater opportunities economically and professionally. The effects of this on median age over time can be seen in Figure 4 below.

Figure 4. Median Age over time for Taos County and New Mexico.



Source: U.S. Census Bureau Decennial Censuses 1950-2010 and U.S. Census Population Estimates Program; data compiled by University of New Mexico's Bureau of Business and Economic Research.

Race and Ethnicity

As of 2010 Hispanics make up 55.8% of the population in Taos County. While there is overall growth in the Hispanic population in Taos County (5.8% between 2000 and 2010) the story is more complex than one of net growth. Firstly, Hispanics overall are accounting for a smaller percentage of the total population than they did in 2000 – down from 57.9%. Secondly, Hispanics identifying as being of Mexican origin account for almost all of the growth among Hispanics, and are the ethnic group with, by far and away, the strongest and largest population growth in the decade – increasing 170.7% and now accounting for 18.4% of the total population of the County. Conversely, the legacy Hispano community of Taos County is decreasing – down 19.4% over the decade³. 2000 was likely the last year Taos County's legacy Hispanic community accounted for over half of the population of the County. Today, legacy Hispanos account for just over 1/3 (36.8%) of the population of the County.

The Native American population overall is growing at a healthy rate – 17% over the decade. However very little of this growth is among those identifying with the Pueblo communities located in the County. Those identifying as being of Pueblo origin grew only 1.8% over the decade – and have gone from representing 5.2% of the total population to 4.8%. 31 other tribal groups are represented in Taos County, with the

³ The category 'Other Hispanic', used by the U.S. Census Bureau consists almost entirely of populations identifying as 'Spanish American, Spaniard, and other colloquial terms used to identify with northern New Mexico's traditional Hispanic population. It is not a perfect proxy – it is possible the category is catching a very small population who does not identify with any other Hispanic origin. The category also misses those traditional Hispanics who identify as being of Mexican origin.

II. Economic Indicators

largest non-Pueblo groups, who account for the largest percentage of the growth in the population being Navajo and Apache⁴.

The 'White, not Hispanic' or 'Anglo' population in Taos grew 18.1% over the decade and accounts for 36.8% of the total population, up from 33.8% in 2000. All other racial and ethnic groups account for small fractions of the population and the growth or contraction we see in their populations must be looked at in light of their small numbers.

Table 1. Race and Ethnicity for Taos County, 2000 and 2010.

	TOTAL POP 2000	% OF TOTAL POP 2000	TOTAL POP 2010	% OF TOTAL POP 2010	% CHANGE 2000-2010
Total Population	29,979	100%	32,937	100%	10.9%
Race					
White	20,177	67.3%	23,996	72.9%	18.8%
Black or African American	185	0.6%	275	0.8%	48.7%
American Indian/Native American	2,291	7.6%	2,680	8.1%	17.0%
Pueblo*	1,554	5.2%	1,582	4.8%	1.8%
Asian	193	0.6%	361	1.1%	87.0%
Native Hawaiian and Pacific Islander	57	0.2%	50	0.2%	-12.3%
Some other race	8,333	27.8%	7,289	22.1%	-12.9%
Ethnicity					
Hispanic or Latino (of any race)	17,370	57.9%	18,381	55.8%	5.8%
Mexican	2,244	7.5%	6,074	18.4%	170.7%
Puerto Rican	63	0.2%	159	0.5%	152.4%
Cuban	20	0.1%	22	0.1%	10.0%
Other Hispanic or Latino	15,043	50.2%	12,126	36.8%	-19.4%
Not Hispanic or Latino	12,609	42.1%	14,556	44.2%	15.4%
White alone	10,122	33.8%	11,958	36.3%	18.1%

Source: U.S. Census Bureau, Decennial Census, 2000 and 2010.

*These numbers do not account for Native Americans who do not report tribal affiliation, and therefore represent a slight undercount of the full population and a possible slight undercount of the Pueblo population.

Educational Attainment

When looked at broadly, Taos County appears to be performing well when it comes to educational attainment. Those with a high school diploma (or equivalency) or higher make up a slightly larger portion of the population than at the State level and is commensurate with what we see nationally. The percentage of the population with a bachelor's degree is higher than we see statewide and the percentage with graduate degrees is just slightly higher than we see at other geographic levels.

⁴ US Census Bureau, Decennial Census, 2000 and 2010.

II. Economic Indicators

TABLE 2. Educational Attainment for Population Over 25 for the United States, New Mexico and Taos County.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
Less than 9th grade	5.8%	7.1%	5.1%
9th to 12th grade, no diploma	7.8%	8.9%	8.3%
High school graduate (includes equivalency)	28.0%	26.3%	24.2%
Some college, no degree	21.2%	23.9%	23.6%
Associate's degree	7.9%	7.7%	9.9%
Bachelor's degree	18.3%	14.8%	17.0%
Graduate or professional degree	11.0%	11.3%	11.8%
Percent high school graduate or higher	86.3%	84.0%	86.6%
Percent bachelor's degree or higher	29.3%	26.1%	28.9%

Source: U.S. Census Bureau, American Community Survey, 2011-2015.

When the educational attainment data is sliced according to age group, a more complex story appears and we see the population over 45 is exceeding statewide and national numbers while the population between the ages of 35 and 44 are lagging behind. These numbers are likely reflecting a higher rate of educational attainment among in-migrants, particularly the retiree community and a lower rate of educational attainment among long-time residents.

Table 3. Educational Attainment by Age Bracket, U.S., New Mexico and Taos County.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
Population 25 to 34 years			
High school graduate or higher	88.3%	84.9%	89.8%
Bachelor's degree or higher	32.4%	21.7%	16.8%
Population 35 to 44 years			
High school graduate or higher	87.7%	84.8%	86.2%
Bachelor's degree or higher	32.8%	25.8%	23.5%
Population 45 to 64 years			
High school graduate or higher	88.0%	86.1%	89.3%
Bachelor's degree or higher	29.1%	28.0%	31.0%
Population 65 years and over			
High school graduate or higher	80.0%	78.5%	80.9%
Bachelor's degree or higher	23.2%	26.9%	34.7%

Source: U.S. Census Bureau, American Community Survey, 2011-2015.

II. Economic Indicators

Housing

According to the most recent estimates from the U.S. Census Bureau there are a total of 20,296 housing units in Taos County. The housing stock is dominated by detached single units (69%). Attached units are few in numbers and tend to be 2-4 unit complexes, suggesting multi-unit housing in Taos County is dominated by condominium style housing and not the more affordable apartment style housing. Mobile homes are an essential contributor to the affordable housing market, accounting for 17% of all housing in the County – compared to just 6.4% nationally.

Table 4. Housing by Unit Type, United States, New Mexico and Taos County.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
1-unit, detached	61.7%	64.8%	69.0%
1-unit, attached	5.8%	3.7%	2.2%
2 units	3.7%	1.9%	4.1%
3 or 4 units	4.4%	3.6%	3.0%
5 or more units	17.9%	9.2%	4.6%
5 to 9 units	4.8%	2.7%	2.7%
10 to 19 units	4.5%	2.6%	1.1%
20 or more units	8.6%	3.9%	0.8%
Mobile home	6.4%	16.5%	17.0%
Boat, RV, van, etc.	0.1%	0.2%	0.1%

Source: U.S. Census Bureau American Community Survey Five Year Estimates 2011-2014.

Taos County has a notably higher rate of homeownership that we see statewide and nationally with owner occupied housing units approaching three quarters of all units. Three factors are contributing to high ownership rates: firstly, a large population of legacy Hispanos in the County who live in family homes, secondly, increasing numbers of retirees coming into the County and purchasing retirement homes and thirdly, owner occupied mobile home units. Unfortunately, mobile homeownership does not provide the long-term investment benefits generally associated with home ownership, does not require ownership of the land on which a mobile home is located to count as homeownership, and is vulnerable to displacement in areas of the County targeted for development.

Table 5. Housing Occupancy by Type, United States, New Mexico and Taos County.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
Occupied housing units	87.5%	84.3%	65.2%
Owner occupied	64.4%	68.2%	72.5%
Renter occupied	35.6%	31.8%	27.5%

Source: U.S. Census Bureau American Community Survey Five Year Estimates 2011-2014.

Occupancy rates among housing units in Taos County are very low – over a third of all housing units are vacant, nearly twice the vacancy rate we see statewide. Table 6 below allows us to better understand this high vacancy rate. Here we see that roughly 23% of all homes in Taos County are for seasonal, recreational or occasional use – or in more common vernacular, second homes.

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Table 6. Vacant Housing by Type, United States, New Mexico and Taos County.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
Vacant housing units	12.5%	15.7%	34.8%
For rent	2.3%	2.4%	3.1%
Rented, not occupied	0.5%	0.4%	0.7%
For sale only	1.2%	1.4%	1.1%
Sold, not occupied	0.5%	0.5%	1.0%
For seasonal, recreational, or occasional use	4.0%	5.7%	22.7%
For migrant workers	0.0%	0.1%	0.5%
Other vacant	4.0%	5.3%	5.6%

Source: U.S. Census Bureau American Community Survey Five Year Estimates 2011-2014.

The Federal Government defines 'housing stress' as the expenditure of 30% or more of household income on rent. Housing stress is a challenge across the County with just over half of all households in the State and nation facing housing stress. In Taos County the numbers are higher than we see at larger geographies with nearly 60% of all renters are suffering from housing stress. Interestingly, in Taos County, 14.5% of all individuals occupying non-owner occupied housing units within the County are paying no rent at all, compared to just 7.6% statewide and 5.4% nationally – these are likely arrangements where individuals are trading services for housing or are living in family owned properties without exchanging rent for housing. It should be assumed that these alternative rental arrangements are mitigating the level of housing stress we see in the County.

Table 7. Gross Rent as a Percentage of Income, United States, New Mexico and Taos County.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
Less than 15.0 percent	11.7%	13.6%	12.8%
15.0 to 19.9 percent	12.1%	12.2%	8.2%
20.0 to 24.9 percent	12.5%	11.9%	12.9%
25.0 to 29.9 percent	11.5%	11.4%	8.1%
30.0 to 34.9 percent	9.1%	8.7%	5.7%
35.0 percent or more	43.2%	42.2%	52.3%
No cash rent paid*	5.4%	7.6%	14.5%

Source: U.S. Census Bureau American Community Survey Five Year Estimates 2011-2014.

*Those who do not exchange cash for rent are not counted among the population at risk for housing stress and therefore are not included in the number of renters spending less than 15% of income on rent.

Economy

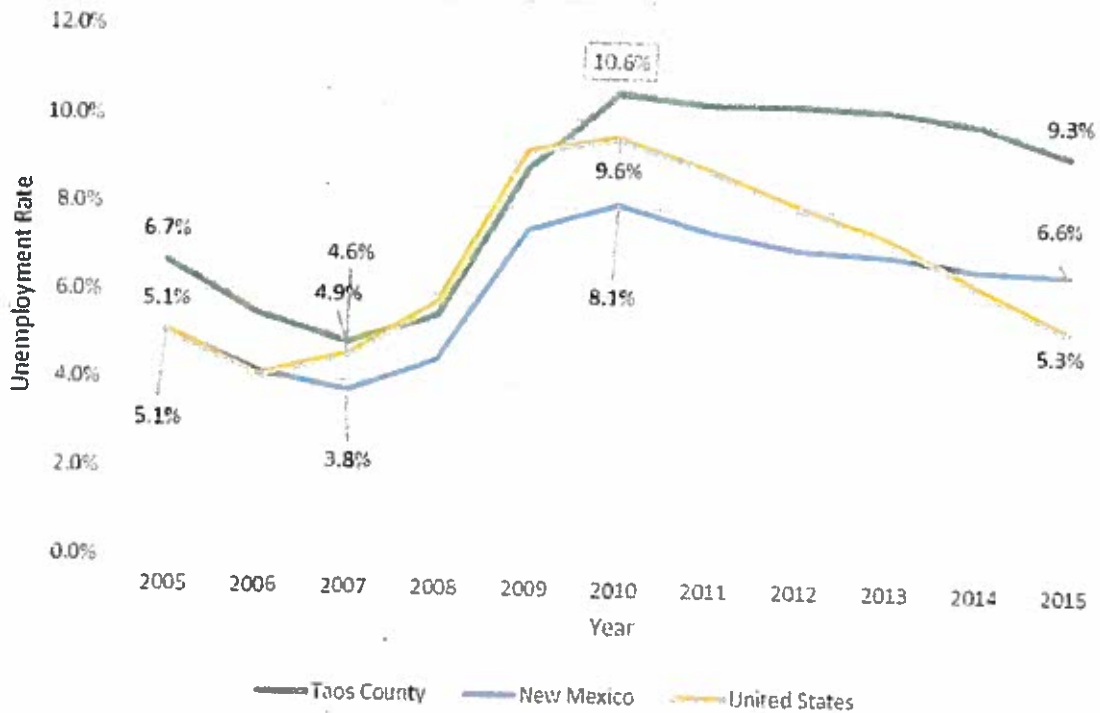
Unemployment

The official annual average unemployment rate for Taos County for 2015 was 9.3% - noticeably higher than the 6.6% we see for the State and the 5.3% we see nationally. Unemployment during the Great Recession peaked at all three geographies in 2010 with Taos County seeing higher rates of unemployment than did the State or nation. This is largely due to Taos County's dependence on strong construction and service industry performance – both areas of the economy hit particularly hard in times of downturn due

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to their dependence of the availability of discretionary income. Nationally, we are seeing a notable decrease in unemployment numbers since the Recession resulting in unemployment rates close to those of the pre-Recession era. New Mexico has not seen impressive declines in unemployment rates and was leading the nation in unemployment rates at the end of 2015.

Figure 4. Average Annual Unemployment Rate for the United States, New Mexico and Taos County, 2005-2015.



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics and Current Population Survey

Labor Force

The official unemployment numbers only capture those who are unemployed and actively seeking employment – those who have given up on finding work, or finding work in the formal labor market are not counted.

In Figure 5 below the effect of the Great Recession on the size of the labor force in Taos County is clear. Hovering in the mid 17,000's pre-Recession, the size of the labor force dropped precipitously in 2010, and has remained in a slow decline since. While some of this may be caused by out-migration, some of this is likely due to workers abandoning the formal labor market.

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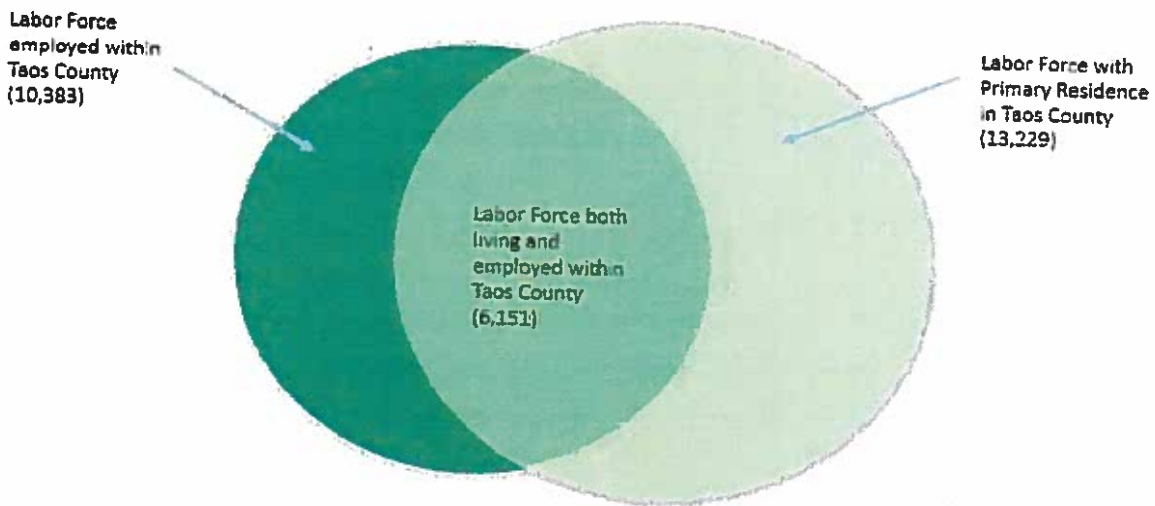
Figure 5. Labor Force, Annual Average, Taos County, 2005-2015.



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics.

In the figure below, we can see four things: 1) The size of the total labor force with primary residence within Taos County, 2) The total labor force employed in Taos County, 3) The percentage of those who live within the County AND are employed within the County, and 4) The portion of workers who are migrating in to or out of the County for work. Since the decline of the agricultural sector as the primary sector for northern New Mexico there has developed a patterned flow of workers from rural villages to small towns and small towns to more metropolitan areas, which explains some portion of what we see below.

Figure 6. Labor Force Inflow and Outflow for Taos County, 2014.



Source: U.S. Census Bureau Origin Destination Employment Statistics Data, Longitudinal-Employer Household Dynamics Program.

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The first, and possibly more important observation to be made when looking at Figure 6 is that the labor force in Taos County is notably larger than the market for labor within the County – suggesting an opportunity for growth in the local economy. According to this data, the labor force in Taos County is 24% larger than the market for labor. Secondly there seems to be a mis-match between the local labor market and local labor force – as just over half (53.5%) of the workforce is finding employment outside the County while 40.8% of the locally employed labor force are coming from outside Taos County. Unfortunately, the data does not allow us to drill down further to identify what the characteristics are of the population working outside the County or the characteristics of those living outside the County, so it is difficult to determine exactly what the mis-match occurring might be. 13,229 members of the labor force live within Taos County. Of these, 6,151 who both live and are employed within the County and 7,078 live within the County but are employed outside the County. 4,232 members of the labor force live outside the County and are employed within the County for a total employment within the County of 10,383.

Of the 7,087 members of the local labor force not employed within the County, it is estimated 1,551 (11.7% of the total local labor force) work in Albuquerque, 1,155 (8.7% of the total local labor force) work in Santa Fe, 785 (5.9%) are employed in Espanola, 270 (2%) are employed in Los Alamos. Various other communities throughout New Mexico and Colorado employ local labor force as well, but at negligible numbers⁵.

INCOME

Overall in Taos County we see depressed incomes below what we see both statewide and nationally. Median household income in Taos County is an impressive 40% below what we see nationally and 17% what we see statewide.

Table 7. Income for the United States, New Mexico and Taos County.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
Less than \$10,000	7.2%	9.6%	12.7%
\$10,000 to \$14,999	5.3%	6.5%	9.3%
\$15,000 to \$24,999	10.7%	12.8%	16.0%
\$25,000 to \$34,999	10.2%	11.3%	11.2%
\$35,000 to \$49,999	13.5%	14.2%	16.0%
\$50,000 to \$74,999	17.8%	16.9%	14.5%
\$75,000 to \$99,999	12.2%	11.4%	8.6%
\$100,000 to \$149,999	13.0%	10.6%	7.9%
\$150,000 to \$199,999	5.0%	3.8%	2.6%
\$200,000 or more	5.0%	2.9%	1.3%
Median household income	\$53,483	\$44,969	\$35,824
Mean household income	\$74,597	\$62,137	\$49,813

Source: U.S. Census Bureau American Community Survey, 2011-2015.

⁵ U.S. Census Bureau Origin Destination Employment Statistics Data, Longitudinal-Employer Household Dynamics Program.

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When we look at income by type, we see fewer households with earnings – 71.2% of households in Taos County have earnings compared to 75.2% statewide and 77.9% nationally. Further, earnings are decidedly lower - close to half what we see nationally (48.0%) and just under three quarters of what we see statewide (27.7%).

The lower number of households with earning can largely be explained by the larger percentage of the population over retirement age – a noticeably higher percentage of the population is collecting Social Security than we see at the larger.

Table 8. Income by Type for the United States, New Mexico and Taos County.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
With earnings	77.9%	75.2%	71.2%
Mean earnings (dollars)	\$76,304	\$61,850	\$46,782
With Social Security	29.3%	30.9%	37.3%
Mean Social Security income (dollars)	\$17,637	\$16,387	\$15,580
With retirement income	17.8%	19.6%	17.2%
Mean retirement income (dollars)	\$24,096	\$26,833	\$25,561

Source: U.S. Census Bureau, American Community Survey, 2011-2015

Educational attainment does not provide the same reward in Taos County as we see in other geographies. As one can see in Table 9 below, the population over the age of 25 with no high school degree or equivalent actually have higher median earnings than their peers across the State and nation – this is likely due to the high cost of living in Taos County, and the need for employers to provide the minimum wages necessary for living within the County as well as the relatively higher demand for what is traditionally considered unskilled labor. On the other side of the spectrum, we see noticeably depressed wages for those with higher educational attainment – this is likely due to fairly high competition in the labor market for the limited number of professional jobs within the County, which leads to an educated workforce willing to settle for lower wages.

Table 9. Median Earnings in the Past 12 Months by Educational Attainment for United States, New Mexico and Taos County.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
Population 25 years and over with earnings	\$36,034	\$31,457	\$24,978
Less than high school graduate	\$19,954	\$17,391	\$20,847
High school graduate (includes equivalency)	\$27,868	\$25,714	\$20,547
Some college or associate's degree	\$33,988	\$30,314	\$23,806
Bachelor's degree	\$50,515	\$43,502	\$31,422
Graduate or professional degree	\$66,944	\$56,073	\$40,069

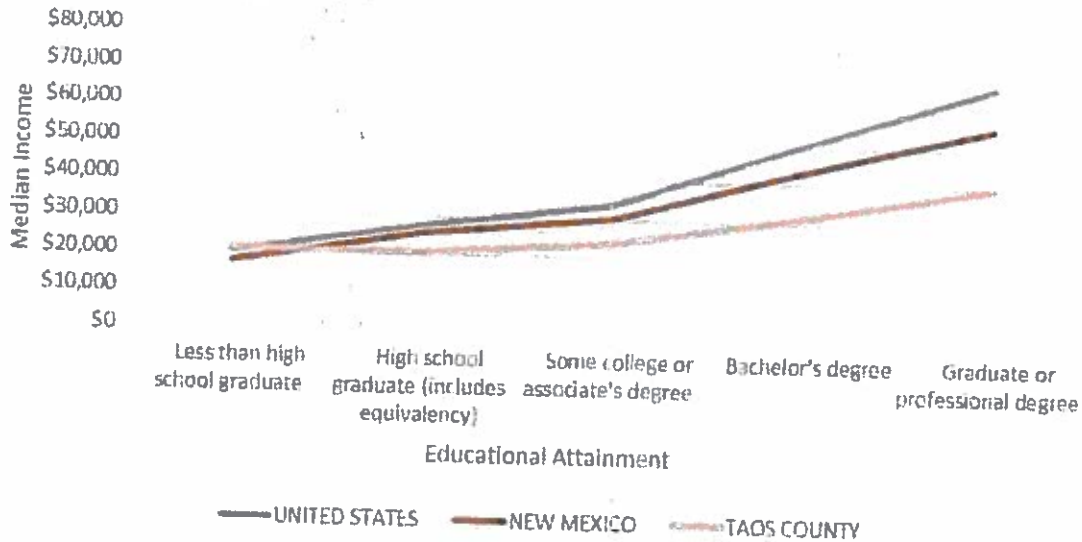
Source: U.S. Census Bureau, American Community Survey, 2011-2015.

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The figure below offers a more visual depiction of the nominal benefit of educational attainment when it comes to earnings.

Figure 7. Median Earnings in the Past 12 Months by Educational Attainment for United States, New Mexico and Taos County.



Source: U.S. Census Bureau, American Community Survey, 2011-2015.

While incomes are dampened for all populations in Taos County we see notable disparities between racial and ethnic groups. Native American households have a median income 21% below that of White, not Hispanic/Anglo households and 6% below that of our Hispanic households. Hispanic Households have a median income 15% below that of Anglo households.

Table 10. Household Income by Ethnicity of Householder.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
White	\$56,900	\$47,835	\$37,928
Black or African American	\$35,600	\$40,960	N/A
American Indian and Alaska Native	\$37,170	\$31,562	\$30,625
Asian	\$73,244	\$58,744	\$26,250
Some other race	\$40,300	\$31,423	\$27,830
Hispanic or Latino origin (of any race)	\$42,396	\$37,184	\$32,386
White alone, not Hispanic or Latino	\$58,847	\$54,464	\$37,888

Source: U.S. Census Bureau, American Community Survey, 2011-2015.

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When we look at income by age, we see something unusual. At other geographies, it is expected that peak earning potential will be reached between the ages of 45 and 64 – and yet what we see in this data is that in Taos County, the median income for this group is actually lower than for those between the ages of 25 and 44. Margins of error could have some effect on these numbers, but are not broad enough to allow for maximum earning to happen between the ages of 45 and 64. This is likely caused by similar issues to those we discussed regarding the decreased market value of higher educational attainment. Due to lack of opportunity and lower wages, careers plateau in Taos County more quickly than in other geographies – those who prioritize career advancement are likely to leave in order to pursue advancement not possible locally, and those who prioritize location over career and income accept less demanding, less well-paid positions.

Table 11. Household income by age of householder.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
15 to 24 years	\$25,788	\$24,129	\$21,964
25 to 44 years	\$58,398	\$46,863	\$41,319
45 to 64 years	\$65,027	\$54,190	\$37,390
65 years and over	\$37,945	\$36,439	\$30,630

Source: U.S. Census Bureau, American Community Survey, 2011-2015

POVERTY

Nearly one quarter (23.7%) of residents in Taos County live at or below the poverty line. The population most likely to live in poverty are children – (38%) of all children in the County live in poverty – notably higher than the 29.4% of children living in poverty statewide or the 21.9% nationally. Taos County also suffers higher poverty rates among the elderly than larger geographies – 16.5% compared to 12.2% in New Mexico and 9.4% nationally.

Over one third of those with no high school diploma live in poverty – while these numbers are expected to be high, these are much higher in Taos County than we see in New Mexico or the U.S. overall. The difference in poverty rates between those who have and have not graduated from high school may seem confusing in light of the income numbers we discussed earlier – however it must be remembered that we are discussing median income when looking at income. A similar dynamic is at play when we compare median income for those who have attended some college or obtained an Associate's degree – poverty rates are very similar for those who have a high school degree and those who have some college. Clearly increased education at this level is helping some and having no effect for others. Interestingly, despite wages being lower for those with a Bachelor's degree or higher, despite lower wages for this group we also see poverty rates lower than what we see statewide. This is likely affected by the dynamics we see in education attainment by age group – retirees who have moved into the community with a college education are not beholden to the local or regional job market and therefore are less likely to live in poverty.

Looking at poverty according to race and ethnicity, while poverty is high for all groups, we see notable disparities by racial and ethnic group. It should be noted that, due to sampling sizes the poverty rates for both Asian and Black or African American populations suffer high margins of error and should not be considered reliable numbers. That said, even accounting for margins of error, Taos County's very small Asian community is the racial group with the largest percentage of the population living in poverty. After our Asian population, our Hispanic population is the next most likely to live in poverty, with just over

II. Economic Indicators

one quarter of Taos County's Hispanics living in poverty. This is similar but slightly higher than what we see state-wide and nationally. Native Americans are less likely to live in poverty in Taos County than at larger geographies.

Table 12. Poverty by Age, Education, Race and Ethnicity.

	UNITED STATES	NEW MEXICO	TAOS COUNTY
Population living at 100% Poverty	15.6%	20.9%	23.7%
AGE			
Under 18 years	21.9%	29.4%	38.0%
18 to 64 years	14.6%	19.5%	21.4%
65 years and over	9.4%	12.2%	16.5%
EDUCATIONAL ATTAINMENT			
Population 25 years and over			
Less than high school graduate	27.6%	31.6%	36.9%
High school graduate (includes equivalency)	14.2%	25.7%	27.2%
Some college, associate's degree	10.5%	17.1%	28.5%
Bachelor's degree or higher	4.5%	11.3%	8.6%
RACE AND ETHNICITY			
White	12.8%	18.0%	19.8%
Black or African American	27.3%	25.3%	24.2%
American Indian and Alaska Native	28.8%	35.3%	23.3%
Asian	1.7%	13.1%	71.0%
Some other race	27.1%	28.4%	29.5%
Hispanic or Latino origin (of any race)	24.8%	25.8%	26.3%
White alone, not Hispanic or Latino	10.8%	12.0%	18.3%

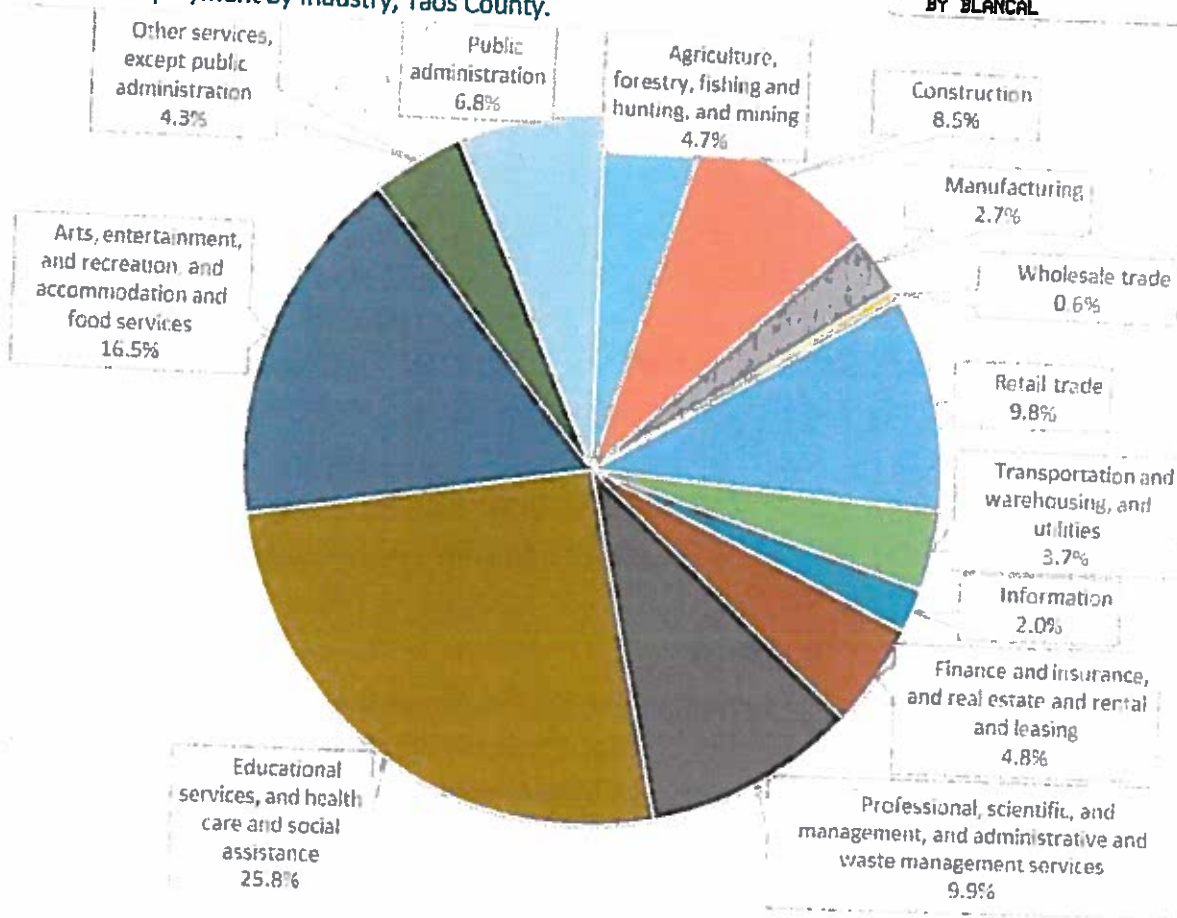
Source: U.S. Census Bureau, American Community Survey Five Year Estimates, 2010-2014.

Industry

Below we see the basic breakdown of the Taos County economy by industry. Education, healthcare and social services make up just over a quarter of the Taos County economy, seconded by, essentially, the tourism industry as represented by 'Arts, entertainment, recreation, accommodations and food services'. Professional services, administrative services and waste management come in third as 1/10th of the economy, and construction, despite the challenges this industry faces in the post-Recession era in Taos County still provides 8% of the jobs in the County. This data may be bolstered by a few larger projects that happened toward the beginning of the five year period this data covers.

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Figure 8. Employment by Industry, Taos County.



Source: U.S. Census Bureau, American Community Survey, Five Year Estimates, 2010-2014.

Below in Table 13, Location quotients (LQ) provide a measure of the importance of an industry in a specific geography in comparison to a larger or 'base economy'. In the chart below we look at employment by industry in Taos County in comparison to the base economies of both New Mexico and the United States. A location quotient with a value of 1 indicates that an industry exists in equal proportion in the local economy as in the base economy. A value greater than 1 suggests that this is an industry where the local economy is outperforming the base economy. A value less than 1 suggests the local economy is under performing in comparison to the base economy.

We can see that agriculture, forestry, fishing and hunting make up a small portion of the local economy in comparison to the role of the industry statewide and nationally. However, because the data used to develop these location quotients does not include firms that do not pay into unemployment insurance, we are missing the vast majority of agriculture and forestry's role in Taos County, since most agriculture related firms in Taos County are not required to pay into unemployment insurance and a great deal of agricultural and forestry work happens in the informal secondary economy.

Construction, historically among the most important industries in Taos County suffered during the Recession and now looks quite similar to what we see at larger geographies.

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With residential construction dominating the construction industry in Taos County and the current low growth in population, it is not anticipated that this industry will outpace what we see nationally or statewide.

Historically, manufacturing and wholesale trade have not been likely industries for Taos County. Taos County has seen some success with the manufacturing of value-added food products on a small scale as well as health and beauty aids. With Taos County's tourism-based economy and with the pull in the region as a destination shopping center (San Luis Valley, Mora, Dixon, etc.), retail makes up a slightly larger percentage of our economy than that of New Mexico and the United States overall.

Professional and technical services are lower than one would expect for a County of this size with some regional pull and with the educational attainment levels. However it is notable that this industry is particularly dominated by non-employer establishments (see Table 13 below). This industry group includes all professional services from legal services to graphic design. This is similar to what we see in the income section of this plan wherein a lack of opportunities for career development lead professionals seeking career advancement, networking opportunities and higher pay to select out of the Taos County professional pool as they seek opportunity elsewhere. Data for the management of companies and enterprises and administrative services is lower due to the small size of the employment numbers in the industries.

Educational services make up a commensurate portion of the economy locally and nationally, but outperform what we see nationally. We see the opposite dynamic with health care and social assistance, with the industry exceeding what we see nationally, but performing on par with the State. Geography and infrastructure limit the potential of transportation and warehousing, much as it does for wholesale trade and manufacturing and this is reflected in the data. The Information industry as well underperforms in employment in comparison to its role in the base economies. This, in particular, is a logical area for expansion due to the industry's lack of reliance on geography and infrastructure. It is reasonable to expect Finance and Insurance industries to underperform base economies which include the larger metropolitan areas.

Real estate, rental and leasing outperform larger geographies because of the vacation rental economy. Arts, entertainment and recreation provide impressive numbers in light of the nature of our tourism economy. Taos County's comparative advantage in this area should be taken seriously - the entirety of this industry group belongs within the creative and cultural economy cluster - however tends to be comprised of the lower paying jobs of the creative economy. Harnessing the skills and cultural inclination toward creative and cultural industries to develop the higher paying end of the creative cluster is a logical area for focus. Accommodation and food service dominate in comparison to State and national economies due to our focus on tourism.

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Table 13. Location Quotients for Taos County by Industry.

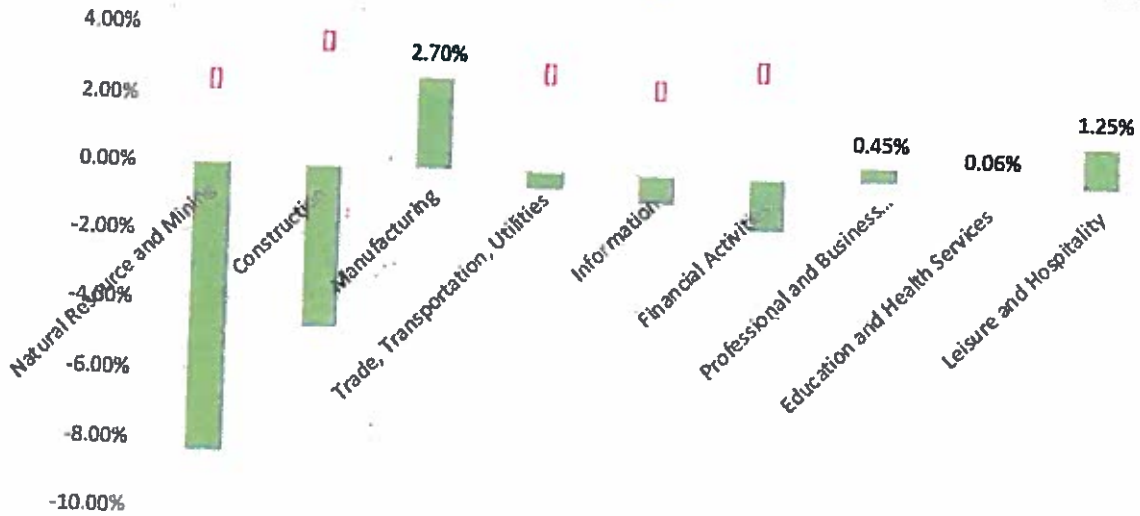
	New Mexico Base Economy	United States Base Economy
Agriculture, forestry, fishing and hunting	0.09	0.16
Mining, quarrying, and oil and gas extraction	0.16	1.03
Utilities	2.29	3.42
Construction	0.90	1.15
Manufacturing	0.45	0.19
Wholesale trade	0.36	0.25
Retail trade	1.07	1.20
Professional and technical services	0.47	0.55
Management of companies and enterprises	N/A	N/A
Administrative and waste services	N/A	N/A
Educational services	1.55	1.02
Health care and social assistance	1.05	1.22
Transportation and warehousing	0.26	0.19
Information	0.75	0.66
Finance and insurance	0.66	0.48
Real estate and rental and leasing	1.69	1.54
Arts, entertainment, and recreation	5.63	4.63
Accommodation and food services	1.95	2.39
Other services, except public administration	0.90	0.80

Source: Bureau of Labor Statistics, Quarterly Census of Workers, Annual Averages 2015, Calculations by Rio Chiquito Research and Consulting

The Taos County economy, like many Rocky Mountain communities, suffered during the Great Recession of 2008. The majority of sectors have suffered losses over the decade, with the loss of the Moly Mine in Questa having notable effects on the natural resources and mining sector, and the inactivity of the local residential construction market having negative effects on construction. Manufacturing has seen the greatest growth over the decade, though at just 2.7% and representing a fraction of the overall economy. Leisure and Hospitality has also seen marginal growth, however, representing a much larger portion of the economy, these numbers represent a greater effect on the overall economy.

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Figure 9. Average Annual Employment Growth by Sector, 2006-2015.



Source: Bureau of Labor Statistics, QCEW, 2016.

Table 14. Establishments, value of receipts, payroll, employees, non-employee establishments and non-employer receipts for Taos County, 2012.

	Number of firms	Value of sales, shipments, receipts, revenue, or business done (\$1,000)	Annual payroll (\$1,000)	Number of non-employer firms	Non-employer value of sales, shipments, receipts, revenue, or business done (\$1,000)
Utilities	7	N/A	N/A	N/A	N/A
Manufacturing	39	N/A	2,633	123	3,127
Wholesale trade	17	N/A	N/A	N/A	N/A
Retail trade	211	304,066	32,031	269	10,688
Transportation and warehousing	16	6,941	2,020	47	3,023
Information	17	N/A	9,051	50	1,406
Finance and insurance	40	N/A	9,308	53	4,265
Real estate and rental and leasing	62	19,266	4,442	249	15,589
Professional, scientific, and technical services	97	N/A	N/A	470	15,817
Administrative, support, waste management services	43	24,812	9,885	213	3,276
Educational services	15	1,900	605	115	1,810
Health care and social assistance	103	120,937	53,651	307	8,486
Arts, entertainment, and recreation	34	25,667	9,366	404	9,326
Accommodation and food services	151	92,195	31,526	75	3,172
Other services (except public administration)	57	18,262	5,346	353	6,941

Source: U.S. Census Bureau, 2012 Economic Census, 2012 Economic Census of Island Areas, and 2012 Non-employer Statistics.

II. Economic Indicators

Retail Trade dominates in total receipts. Healthcare and social services come in second, and accommodation and food services come in third. Of particular interest in the table above are the number of non-employer firms. 27.6% of all workers in Taos County are self-employed.

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III. Economic Development Goals and Strategic Actions

The following Economic Development goals were created to serve as direction for improving the economic vitality of the County, with the associated strategic actions for each goal as the implementation steps to achieving the goals.

Goal 1. Identify and support opportunities to expand the capacity of the local business and workforce community with a broad range of skill and education levels.

- a) *Collaborate with municipalities within the County to develop an Economic Development Department to be housed in the County and hire an Economic Development Planner. The Economic Development Planner should: 1) Facilitate an Economic Development Council comprised of public and private economic development organizations to coordinate and consolidate economic development efforts; 2) Identify opportunities to streamline the business start-up process in the County; and, 3) Consolidate and promote business development resources. In the absence of an Economic Development Department, the Taos County Administration would serve as the Economic Development Department. The Economic Development Council should develop industry cluster subcommittees to support development of particular clusters including creative industries, green industries, and integrative and holistic healthcare.*
- b) *Amend and implement the tools in the Local Economic Development Act (LEDA) Ordinance to offer business development incentives such as public/private partnerships, land, infrastructure development, funding, and tax incentives.*
- c) *Work with economic development organizations such as Workforce Solutions, University of New Mexico, TCEDC, Taos Chamber of Commerce or TEN to survey sole-proprietor businesses and identify roadblocks to business expansion and develop business expansion training and support services.*
- d) *Utilize the LEDA (Local Economic Development Act) to provide County space for a County creative/business incubator. The Economic Development Council should work together to identify the appropriate entity to run the incubator.*

Goal 2. Promote economic development that will equitably increase median income.

- a) *Identify opportunities to decrease seasonal fluctuations in employment including investment in industries and clusters with consistent year-round employment such as healthcare, light manufacturing, innovative and green building and applied creative industries.*
- b) *Focus on economic development opportunities that employ local residents at higher wages, with an emphasis on Hispanic and Native populations, and invest in research to identify the appropriate minimum wage for Taos County to support State and Federal legislation.*
- c) *Work with the Taos County Workforce Connection Office and the Northern Area Local Workforce Development Board to expand provision of Pro-Tec Program to Taos County. Pro-Tec provides month-long intensive training in job readiness skills, Microsoft Office certifications and professional applications for social media with opportunities to get in-office training with local businesses.*

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III. Economic Development Goals and Strategic Actions

Goal 3. Provide increased employment for younger generations at a viable living wage.

- a) *Work with the County Economic Development Council and UNM Taos to identify mis-matches in local labor force and industry/cluster needs and develop programming at UNM to bridge the gap. Target the age group between 25 and 44 in education outreach efforts.*
- b) *Support organizations and agencies aimed at youth employment development, such as the Rocky Mountain Youth Corp and the Taos School District "Discovery" program.*
- c) *Work with HELP NM (Home Education Livelihood Program New Mexico) and the Northern Area Local Workforce Development Board to expand WIOA (Workforce Investment Opportunity Act) work experience, occupational skills, incentives, job readiness and financial literacy services for qualifying youth in Taos County.*

Goal 4. Identify green industries as a cluster for development.

- a) *Develop a green industry economic development "cluster" task force that will identify weaknesses in the cluster. This cluster should include green building and relevant light manufacturing as well as restoration-based resource management including sustainable forestry.*
- b) *Participate/sponsor a Green and Innovative Building and Resource Management Symposium that will highlight local innovators, create opportunities to network with innovators outside of Taos County and New Mexico and provide a tourism development opportunity.*

Goal 5. Identify the creative and cultural economy as a cluster for development.

- a) *Identify the creative and cultural economy as major cluster for development and create a creative economy task force within the County Economic Development Council. The creative economy taskforce should be broadly representative of the local community and the full creative economy cluster beyond the traditional arts focus— including applied and tech-related creative industries. The Council should identify local creative economy endeavors appropriate for light manufacturing, incubator development, e.g., jewelry, food products, woodwork, tinwork, fiber arts, and applied and tech related creative economy development such as film work, graphic design, animation, and software development. Partner with UNM Taos and the public school districts to develop appropriate curriculum to prepare Taos County youth for jobs in applied creative industries.*
- b) *Work with tourism and marketing experts to better understand the changing trends in the cultural tourism industry and develop and promote programming that better meets the interests of the modern tourist. Focus on developing opportunities for hands-on experience, opportunities to engage the local community and local cultural activities, learning and skill building experiences, agro-tourism, culinary tourism and adventure tourism.*
- c) *Leverage the Old County Courthouse to support promotion and development of the creative economy. Partner with appropriate organizations including UNM Taos and Taos Municipal Schools and others to develop programming that will engage local youth, bring locals back to the plaza, and represent Taos County's cultural heritage.*

III. Economic Development Goals and Strategic Actions

- d) *Research the "Arts and Cultural Compound" designation throughout the County and consider submitting an application to the NM MainStreet program for appropriate locations within the County.*

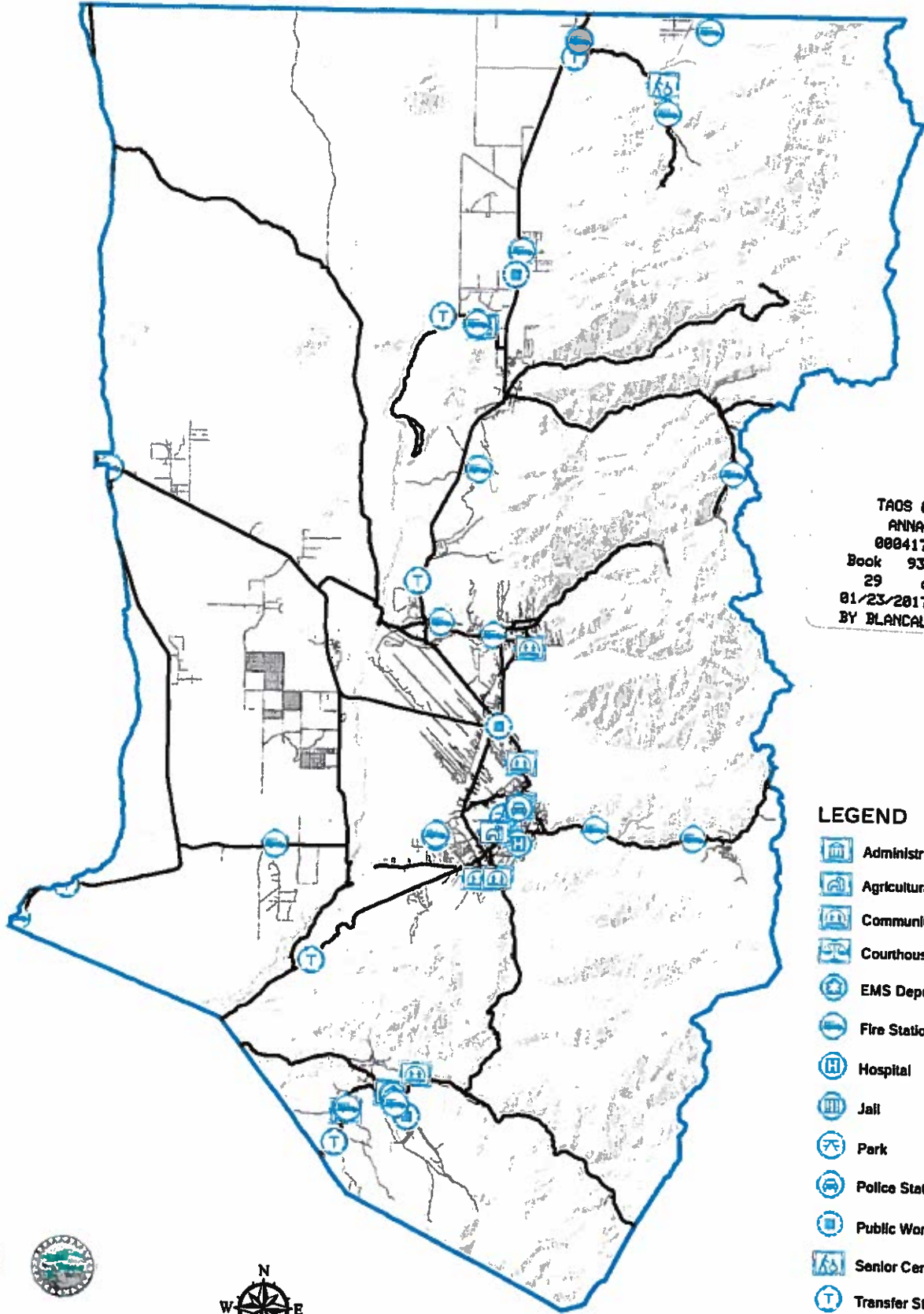
Goal 6. Promote and support a diverse export economy that focuses on tourism and light manufacturing.

- a) *Identify tourism, particularly Cultural Tourism, Adventure Tourism, Eco-Tourism and Agro and Culinary Tourism as an area for cluster development under Creative Economy and expand tourism narratives in marketing efforts and program development to appeal to broader and more contemporary markets. Initiatives should encourage greater diversity, more opportunities for engagement and emphasis on cultural and community renewal.*
- b) *Evaluate current marketing efforts and tourism infrastructure to identify gaps with a focus on rural and less visited areas of the County, on cultural attributes that are inclusive of contemporary and Hispano culture; and on types of offerings that focus on interactive, immersive and community-oriented programming.*
- c) *Identify industries for development in which Taos County already has comparative advantage and which belong to clusters already targeted for further development such as natural health and beauty products, value-added food products, regional artisan and crafts, and green/innovative building and technology products.*
- d) *Provide trainings in communities regarding marketing and sales for home-based light manufacturing opportunities through internet platforms.*
- e) *Work with the NM Economic Development Department to identify opportunities in the export economy that can capitalize on the Department's LEDA Closing fund for job creation and their Job Training Incentive Program (JTIP) funding for workforce training.*
- f) *Partner with the Taos County municipalities on the Taos Airport Improvements and pursue the recruitment of a scheduled commercial air service provider.*

Goal 7. Enhance the economic viability and diversity of the agricultural sector.

- a) *Identify agriculture, local food, value added food products and agro- and culinary tourism as an economic cluster for focus and work with the Alianza Agri-Cultura de Taos (ACT) to develop a Taos County Food and Agriculture Policy Council. The Council should serve as the subcommittee for agriculture in the cluster development effort and develop and work to implement a County Agricultural and Ranching Implementation.*
- b) *Work with the Northern New Mexico food hub, Taos County Economic Development Corporation, La Montanita Co-op and Taos Coop on opportunities to distribute agricultural products grown in Taos County to the larger region.*
- c) *Work with New Mexico Landlink to expand use of the program in Taos County to increase land in production, number of farms and availability of labor and training opportunities.*

COUNTY COMMUNITY FACILITIES



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LEGEND

-  Administration
-  Agricultural Center
-  Community Center
-  Courthouse
-  EMS Depot
-  Fire Station
-  Hospital
-  Jail
-  Park
-  Police Station
-  Public Works
-  Senior Center
-  Transfer Station



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Miles

Plot Date: 9/30/2016

Data Sources: Taos County, ESRI

IV. Economic Development Recommendations

Taos County was hit hard by the Great Recession, but is at present making significant strides in gaining a footing in the post-recession economic environment. There are opportunities for economic growth that are already in progress and there are many that can be expanded upon. For success, Taos County will have to grapple with a number of challenging demographic and economic challenges. Population growth has been flat, and the median age continues to inch up, increasing the aged dependency ratio and decreasing the size of the potential labor market. The economy is struggling, with the rest of the State, with high unemployment, but there have been a few industries that have recovered to pre-recession employment numbers. As construction has slowed in the post-Recession economy, Taos County has seen growth in the tourism and service-based economy, with improved local and State-level marketing and increased efforts to modernize tourism opportunities.

The central and most important aspect of economic development efforts will be the establishment of an Economic Development Department to be housed within the County. If this new Department is unrealistic, the County Administration Office should add an Economic Development Division to its title and mission. A Director of Economic Development should be hired to oversee economic development efforts. A central focus of the Economic Development Director will be to develop a County-wide Economic Development Council including local and regional governments, and public and private sector entities involved in economic development efforts throughout the County. The Council should:

- Consolidate and coordinate economic development efforts in the County and region.
- Develop public private partnerships and collaborations to address economic development challenges.
- Develop subcommittees to address needs of individual economic clusters identified for development.
- Develop learning, networking, collaboration and marketing opportunities for Taos County entrepreneurs and workers within the County, region, State and nation.

In identifying appropriate clusters for development, attention should be paid not just to clusters where the County has comparative advantage economically or in terms of the workforce, but also in terms of where Taos County has a historical and cultural comparative advantage.

Arts, entertainment and recreation are an area of impressive comparative advantage statewide and nationally. The creative economy cluster to which this industry group belongs should be identified as a primary area for expansion. The Economic Development Council should identify the creative and cultural cluster as an area for focus and develop a subcommittee to focus on the cluster. Efforts might include:

- Identify applied and tech related creative economy development as a particular focus including film location and studio work, graphic design, animation, software development. Partner with UNM Taos and the public school districts to develop appropriate curriculum.
- Identify local creative economy endeavors appropriate for light manufacturing and support their development in incubator development – jewelry, value-added food products, woodwork, tinwork, fiber arts, etc. would all be examples.
- Support the Toolbox Makerspace and other opportunities to develop shared creative economy workspaces and incubator industries.

IV. Economic Development Recommendations

- Focus on community cultural engagement opportunities that can dovetail with cultural tourism development opportunities highlighting a more modern perspective on the Taos County creative economy. Increase marketing and support of immersive, experiential, interactive, community oriented cultural experiences.
- Leverage the Old County Courthouse to support promotion and development of the creative economy. Partner with appropriate public and private organizations including UNM Taos and Taos Municipal Schools and others to develop programming that will engage local youth, bring locals back to the plaza, and represent Taos County's cultural heritage.
- Pursue public/private partnerships for the further utilization and development of the County Fairgrounds area. While the Fairgrounds and Agricultural Extension Offices are important community assets, there are vacant properties and facilities that could be further utilized for economic development and community uses with private developers and organizations.
- In public art purchases, promotional efforts for the County and other opportunities to highlight local arts, put particular focus on highlighting the contributions of Taos County's Hispanic and Pueblo cultural creators and on curating multi-cultural efforts— particularly among young cultural and creative workers. Further in a minority majority community, in an increasingly minority majority country, where inter-cultural discourse is increasingly understood as essential, the artistic contributions of our minority populations, and our capacity to foster intercultural dialogue through creative work is an area of comparative advantage for Taos County.

In light of current population projections for the County and the current state of the construction industry, it is important the community act proactively to develop other industries to make up for the weakening of one of Taos County's central industries. Further, focusing on opportunities to take advantage of another area of comparative advantage within the construction industry is worthwhile. Taos County has a long history of development of innovative and green building materials and styles – from backyard adobe producers to the Earthship movement - and should capitalize on the opportunity this provides and work to be a center of innovation. This could include related light manufacturing opportunities and natural resource restoration such as regenerative forestry and related industries. The Economic Development Council should develop a green industry cluster task force that will identify weaknesses in the cluster. The taskforce should participate in/sponsor a Green and Innovative Building and Resource Management Symposium that will highlight local innovators, create opportunities to network with innovators outside of Taos County and New Mexico and provide a tourism development opportunity. The taskforce should also work with NAMAPSO to identify and work with the NM Construction Industries Division to identify and address needs of green and innovative building community in State building codes.

Manufacturing has historically been a small portion of the economy, and an unlikely one for major expansion; however, the County has seen some positive growth in light manufacturing - particularly around natural health and beauty aids with companies such as Taos Herb and Vapor. TCEDC has been a leader in innovation around value added food product manufacturing in New Mexico and Taos Mesa Brewing has plans to can and export its production, further expanding food-related manufacturing opportunities. All opportunities for supporting this export-oriented, seasonally stable industry should be acted on. Areas for focus might include: Natural health and beauty products; Value-added food products; Innovative and green building inputs; and, Regional crafts such as tinwork, woodwork, fiber arts, etc.

IV. Economic Development Recommendations

Tourism continues to be an area of comparative advantage for the County and the Economic Development Council should identify tourism as a sector deserving the focus of a subcommittee. Efforts to bolster tourism should include:

- Identifying tourism, particularly Cultural Tourism, Adventure Tourism, Eco-Tourism and Agro and Culinary Tourism as an area for cluster development under Creative Economy.
- Working with tourism and marketing experts to better understand the changing trends in the cultural tourism industry to develop and promote programming that better meets the interests of the modern tourist. Focus on developing opportunities for hands-on experience, opportunities to engage the local community and local cultural activities, learning and skill building experiences, agro-tourism, gastro-tourism and adventure tourism.
- Expand tourism narratives in marketing efforts and program development to appeal to broader and more contemporary markets. Initiatives should encourage greater diversity, more opportunities for engagement and emphasis on cultural and community renewal.
- Evaluate current marketing efforts and tourism infrastructure to identify gaps with a focus on rural and less visited areas of the County, on cultural attributes that are inclusive of contemporary and Hispano culture; and on types of offerings that focus on interactive, immersive and community-oriented programming.
- Increase focus on Hispano culture as a strength in cultural tourism development. Hispanics are among the fastest growing ethnic communities in our country and Hispanic culture is becoming increasingly more central in the identity of our nation, making Taos County's unique multi-generational Hispanic culture an increasingly more important and relevant.
 - Advertise Taos County in markets with high Hispanic populations – in Texas, Colorado, California, and Florida
 - Develop, expand and advertise cultural offerings that highlight Taos County's Hispanic culture and history.
- Identify logical co-promotion opportunities and opportunities to develop tourism throughout the County and region.
 - Work with NM Tourism and other entities to provide tourism development trainings in Taos County's communities that will help communities identify opportunities to stop and engage through-traffic.
 - Work on expanding and further developing the County trails program (such as the Enchanted Circle) to pull tourists into other areas of the County that could benefit from tourism. Invest in the development of an interactive online resource and/or map that allows tourists to identify interests and be guided to opportunities to engage their interests within the County.
 - Collaborate with Santa Fe and Rio Arriba Counties on co-promotion of the north-central Corridor.

While agriculture accounts for a small portion of primary and formal economy employment, it is an industry that has been identified as being essential to the local community identity in our outreach work. Further, it is an industry that has seen rapid growth in Taos County in recent years. For this reason the

IV. Economic Development Recommendations

Economic Development Council should identify agriculture as a cluster for development focus. Efforts should include:

- Working with the Alianza Agricultura de Taos to develop a Taos County Food and Agriculture Policy Council. The Council should serve as the subcommittee for agriculture in the cluster development effort.
- Working with the Northern New Mexico food hub and/or La Montanita Co-op on opportunities to distribute agricultural products grown in Taos County to the larger region.
- Working with New Mexico Landlink to expand use of the program in Taos County to increase land in production and access to labor.

The high self-employment numbers in Taos County are an opportunity to be harnessed. Firstly, this trend in Taos County is in keeping with the growing of the gig-economy that is increasingly emerging in importance in the United States. This area of the economy requires different infrastructure and services than the traditional economy that economic development efforts should work to address. From a second perspective, this is group that should be targeted as potential job creators and efforts should be made to identify opportunities to support sole-proprietors to expand.

Since TCEDC's incubator services have been reduced, the County should identify County spaces available to provide incubator services and work to identify potential organizations to run and or contribute to incubator services. Workforce Solutions could potentially partner to provide some services. To serve not only new businesses but to also serve the self-employed and those looking to grow existent businesses, the incubator should provide a host of services including low-cost advising on career development, business plan development, investment solicitation, retirement planning, human resource development and management and marketing. Low-cost technical services, networking opportunities, training and mentorship opportunities should be part of efforts. The incubator should:

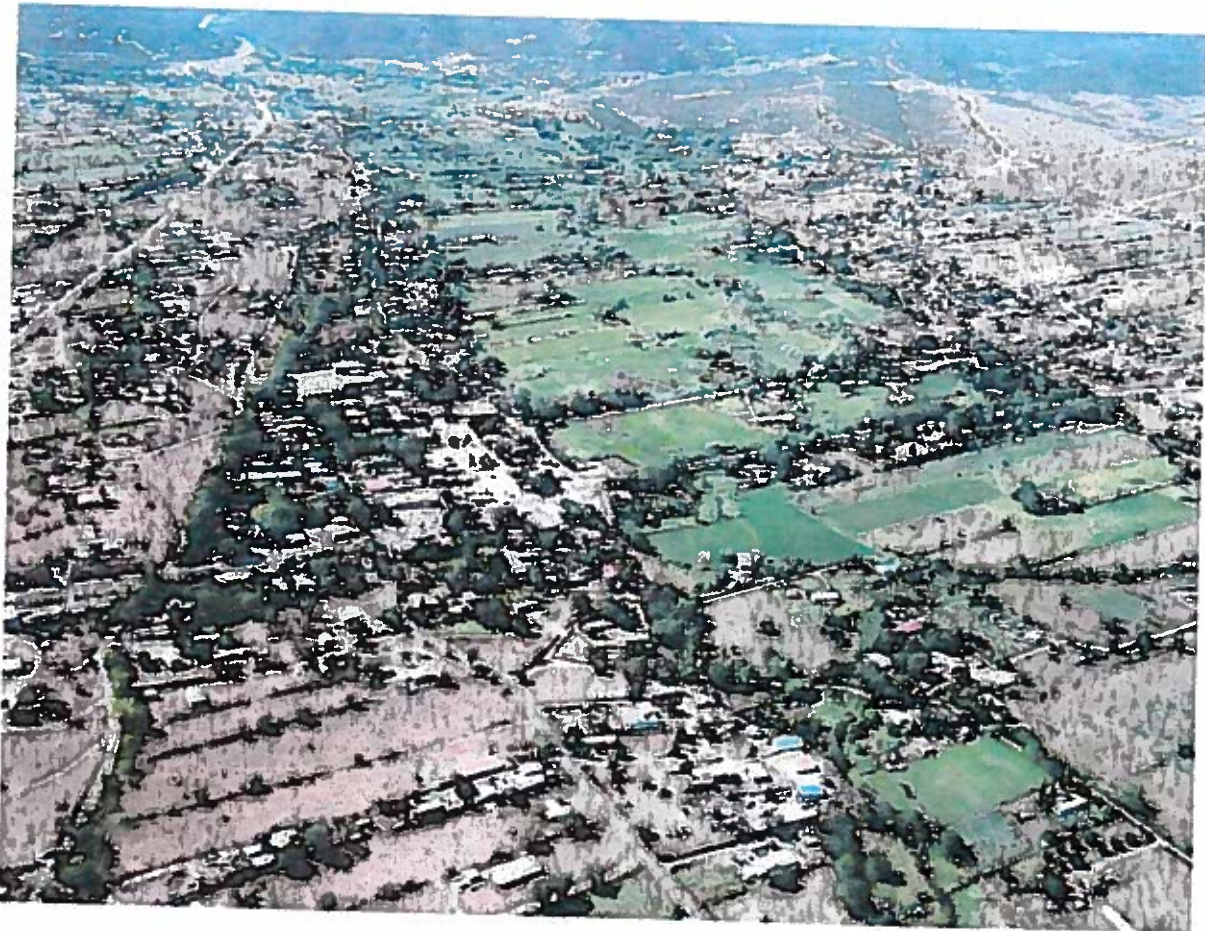
- Focus on serving businesses in industry clusters identified for development in Taos County;
- Serve and provide space for businesses at a range of development stages;
- Prioritize Hispanic and Native owned businesses;
- Provide business and management consultation services, information technology support services and training, and communication services to facilitate collaboration and network development among businesses and the workforce both in Taos County and around New Mexico.

The large portion of the population employed outside the County combined with the rapidly decreasing legacy Hispano community are an issue of concern. While employment outside the County brings new money into the local economy, and legacy populations leaving the area have been shown to send remittances back into the local economy, the long-term consequences will be difficult on both the local economy and social fabric of the community. Research should be done to understand the disconnect between the local workforce and the local market for labor. Research should also be done to identify opportunities to do outreach and develop incentive programs that will encourage return-migration among working-aged populations born in the County but who have left the County for professional or economic reasons.

IV. Economic Development Recommendations

The high cost of housing in the County has been identified as a major issue in the health of the local economy and the ability of the County to retain younger populations. Low-density development in a County with a limited amount of serviced land, with a high priority on the second home market is pushing the local community out of the housing market. Taos County and the Town of Taos are both engaged in a range of efforts to increase the availability of affordable housing, as are a number of private sector entities. If current and future efforts towards expanding affordable housing are successful, the benefits to the local economy will be quite notable.

Lastly, in a world where quality of life indicators are increasingly more important in economic development efforts - in the retention, cultivation and attraction of workforce and businesses - Taos County has a strong comparative advantage. Taos County's powerful cultural identity, rich history, strong community and family ties, its people, and captivating natural environment are irreplaceable and non-duplicable assets. Successful efforts at economic development in Taos County in the 21st century will be inspired by these assets, its greatest strengths.



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**TAOS COUNTY
RESOLUTION NO. 2017-6**

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**A RESOLUTION ADOPTING THE "ECONOMIC DEVELOPMENT
PLAN FOR TAOS COUNTY"**

WHEREAS, the Taos County Board of County Commissioners is the duly authorized governing body of Taos County, a New Mexico political subdivision, and;

WHEREAS, the New Mexico Finance Authority Grant funds were awarded to create or update the Taos County Economic Development Plan for qualifying agencies and entities; and

WHEREAS, the Local Economic Act (LEDA) allows local governments ability to provide public funds for economic development purposes and not violate the State of New Mexico anti-donation clause. The Economic Development Plan is in line with the LEDA requirements.


WHEREAS, the Taos County Economic Development Plan represents a concerted effort by Taos County to create a long-term foundation for economic prosperity. The Taos County Economic Development Plan Steering Committee within the geographic area has collaboratively developed a Plan that meets the requirements for a Economic Development Plan for Taos County; and

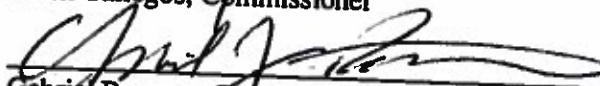
NOW THEREFORE BE IT RESOLVED, by the Taos County Board of Commissioners that the attached "Taos County Economic Development Plan" be adopted and forwarded to the New Mexico Economic Development Department for final review and approval.

PASSED AND APPROVED this 10th day of January, 2017 by the Taos County Board of County Commissioners.

TAOS COUNTY BOARD OF COMMISSIONERS:


Jan Fambro, Commissioner


Mark Gallegos, Commissioner


Gabriel Romero, Commissioner


Tom Blankenhorn, Commissioner


Candyce O'Donnell, Commissioner

VOTE RECORD:

J. Fambro	<input checked="" type="radio"/>	no	abstain	absent
M. Gallegos	<input checked="" type="radio"/>	no	abstain	absent
G. Romero	<input checked="" type="radio"/>	no	abstain	absent
T. Blankenhorn	<input checked="" type="radio"/>	no	abstain	absent
C. O'Donnell	<input checked="" type="radio"/>	no	abstain	absent

ATTEST:


Anna Martinez, Taos County Clerk



APPROVED AS TO LEGAL FORM:


Susan C. Baker, Taos County Attorney