

Strengths & Opportunities; Problems & Weaknesses

STRENGTHS & OPPORTUNITIES	WEAKNESSES & PROBLEMS
REGIONAL WORKFORCE	
<p>✓ <i>A Large Available Workforce</i></p> <p>In January 2009, we had a labor force of 96,995 people with aggregate regional unemployment of 5.07%, slightly lower than the State rate of 5.2%, although unemployment varied by county.</p>	<p>✓ <i>Pockets of Unemployment</i></p> <p>The region has pockets of unemployment ranging from 40% to 100%.</p>
<p>✓ <i>Entrepreneurial Spirit</i></p> <p>Our workforce has a high degree of entrepreneurial spirit, evidenced by a 2005 Michael Camp study that ranked Farmington and Gallup in the top 25 most entrepreneurial municipalities in the United States.</p>	<p>✓ <i>Poverty</i></p> <p>Our region has higher poverty rates and lower per capita and household income levels than the State of New Mexico and the nation.</p>
<p>✓ <i>Higher Education Opportunity</i></p> <p>We have major opportunities for higher education through community colleges and university branches in the region; integration of training programs with available and emerging jobs could be improved.</p>	<p>✓ <i>Educational Attainment</i></p> <p>Limitations include underperforming public school systems and a workforce challenged by greater English language limitations and lower educational attainment than New Mexico as a whole and the US.</p>
ENERGY INDUSTRY	
<p>✓ <i>An Energy Industry in Transition</i></p> <ul style="list-style-type: none"> • The oil and gas industry in San Juan County faces threats from environmental regulation, as well as volatile and declining market prices, but new opportunities are emerging in the development of alternative energy resources such as solar, wind, geothermal and biomass projects. • New uranium mines currently are in the development and permitting stages in McKinley and Cibola Counties, and a new coal mine resumed production in McKinley County in 2008. 	<p>✓ <i>Stress on Energy Economy</i></p> <p>Obstacles to conventional energy development include concerns by tribes and other groups about environmental degradation and threats to public health, and industry concerns about perceived over-regulation.</p>
<p>➤ <i>A Growing Health Care Industry</i></p> <ul style="list-style-type: none"> • The presence of three major private hospitals and two Indian Health Service facilities has generated the development of hundreds of ancillary health care businesses with potential for significant additional growth. • Replacement of the Gallup Indian Medical Center with a new building, currently in the planning stages, presents an important opportunity to acquire an expanded health care facility in the region. 	

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ECONOMIC CHANGE & RESILIENCE	
<p>✓ <i>A Robust Regional Economy</i></p> <ul style="list-style-type: none"> • In 2007, our baseline year, our economy generated \$10,836,107,234, or almost \$11 billion, in gross receipts. • Our gross receipts for the first three quarters of 2008 were up 15.23 percent over the first three quarters of 2007, but regional growth slowed to 8.66 percent in the third quarter. • Between 2001 and 2007, our regional population grew by less than 2 percent, while our labor market added 10,604 jobs, for a growth rate of 14.9 percent. • Threats to big-box retail have produced an opportunity for niche and specialty retail operations, especially in our downtowns. 	<p>➤ <i>A National Economy in Recession</i></p> <ul style="list-style-type: none"> • The national and global economic collapse in the 4th quarter of 2008 and ongoing economic recession are expected to affect every sector of our regional economy, and job losses may continue beyond early signs of possible recovery in other aspects of the national economy. • General Growth Properties, the parent company of Rio West Mall in Gallup, declared bankruptcy in April 2009, and some of the region's big box stores such as Home Depot and national franchises such as Applebee's are announcing store closings on a national level.
<p>✓ <i>A Diversified Regional Economy</i></p> <ul style="list-style-type: none"> • Our economy is dominated by the private sector, with 72 percent of our jobs (59,052 of 81,623 jobs) in private sector categories. • Significant jobs and gross receipts are generated across a variety of sectors including retail, health care and social assistance, energy, tourism, construction, and combined service sectors. • Agriculture, manufacturing, wholesale trade and transportation sectors contribute strongly to the economy in terms of jobs and gross receipts. 	<p>➤ <i>Reduced Demand for Manufactured Goods</i></p> <p>Reductions in global trade have opened up an opportunity for manufacturing specialty products such as the Pioneer Project utilizing small-diameter wood from thinning the Cibola National Forest, contributing to the health of the forest and producing products such as the wood pellets that provide alternative winter heating in many of our remote rural areas.</p>
<p>✓ <i>A Commitment to Revitalizing Downtowns</i></p> <ul style="list-style-type: none"> • Our cities, towns and villages have made commitments to downtown revitalization. The Farmington Metropolitan Redevelopment Area, the Aztec Economic Development Advisory Board, the Gallup Business Improvement District, the Grants MainStreet Program, and the Village of Milan all have formulated ambitious plans for downtown development. • Downtown development plans have highlighted the need for greater market penetration for customer service training programs for frontline staff throughout the region. 	

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NATURAL RESOURCES & TOURISM	
<p>✓ <i>Significant Natural Resources</i></p> <ul style="list-style-type: none"> • San Juan County's natural resources include significant reserves of oil and natural gas and abundant coal fields that are important both to the state and to the nation. • McKinley County has significant coal reserves. • New Mexico ranks 2nd in the US in known uranium reserves, with rich uranium deposits in the Grants Mineral Belt traversing McKinley & Cibola Counties 	<p>✓ <i>Water Scarcity</i></p> <p>Our high desert region has a diverse geography and a mild, arid climate. Water scarcity has long been an issue as the region's people have depleted groundwater resources and engaged in ongoing disputes over water rights. The <i>Omnibus Public Lands Act</i> signed into law this year settled Navajo water rights in the San Juan River and authorized construction of the Navajo-Gallup Water Supply Project as a long-term water solution for the Navajo Nation and City of Gallup, while clarifying and protecting other water rights in the Basin – eliminating a major barrier to development.</p>
<p>✓ <i>Scenic Beauty and World Heritage Sites</i></p> <ul style="list-style-type: none"> • Our varied and diverse landscape of great scenic beauty consists of mountains and lakes, plateaus and high desert mesas with red rock outcroppings, mountain ranges, forested and woodland areas, canyons, valleys and arroyos. • Our national parks and monuments, Native American culture, and world heritage sites such as Chaco Canyon, Aztec Ruins, and Hawikku in Zuni are major regional assets that have supported a thriving tourism industry for decades. 	<p>✓ <i>Environmental Threats</i></p> <ul style="list-style-type: none"> • Industrial development has produced some threats to the environment, including air quality impairment from power plants, contamination of rivers from farming, ranching and wastewater treatment systems, drug residues, and mercury from power plant emissions precipitated in rain. • Previous uranium mining operations in the region have been linked to health problems, and there is public concern about risks to health and safety posed by new uranium mining and milling operations. • Potential effects of climate change are not known, but the Governor's Climate Change Advisory Group has found that "serious and damaging societal and ecological impacts" may occur.
<p>✓ <i>New Tourism Assets In Development</i></p> <ul style="list-style-type: none"> • Development of the New Mexico leg of the Trail of the Ancients Byway provides a vital opportunity to synergize dozens of unique tourism initiatives. • Adventure tourism is an emerging niche industry in the region, with assets in all three counties. <ul style="list-style-type: none"> ○ San Juan County recreation opportunities include fly fishing, road biking, Xterra Triathlon and golf tours. ○ Cibola County recreation opportunities include Mt. Taylor Quadrathlon and ecotourism options. ○ Adventure Gallup & Beyond is developing a world-class trail system in McKinley and Cibola Counties. ○ Year-round calendar of events of special Indian Arts fairs, Balloon Rally, rodeos, and other special events presents an opportunity to coordinate regional marketing initiatives to maximize market penetration. ○ The McKinley County Cultural Enterprise Network and Ancient Way Arts Trail have provided new opportunities to attract visitors and arts buyers to McKinley and Cibola Counties. 	<p>➤ <i>Jurisdictional Barriers</i></p> <p>Interconnecting trails can be problematic due to land jurisdictional issues.</p>

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TRANSPORTATION NETWORK	
<p>✓ <i>Regional Transportation Assets</i></p> <ul style="list-style-type: none"> • Major transportation assets include strategic transportation corridors such as Interstate Highway 40 and the cross-continental railway traversing McKinley and Cibola Counties along with three US Highways connecting the region's population centers, including the 4-lane Highway 550 corridor from Bloomfield to Bernalillo. • The region's roadway infrastructure also includes state roadways, close to 2,000 miles of county roads, and 78 bridges. • Six transit systems currently operate within the region, providing public transit, primarily within the population centers. 	<p>➤ <i>Unsustainable Transportation Finance</i></p> <ul style="list-style-type: none"> • Weaknesses in the transportation system include hundreds of miles of unpaved rural roads and many obsolete one-lane bridges. • Public financial support for transportation infrastructure has eroded, with available resources increasingly dwarfed by demand for both new capacity and proper maintenance and replacement of existing facilities.

EMERGING PROGRAMS & PARTNERSHIPS
<p>✓ <i>Replicable Model Programs</i></p> <ul style="list-style-type: none"> • Our entrepreneurial spirit and ability to innovate have produced a set of model programs that, with proper documentation, could be replicated throughout the region and beyond. • Programs unique to our region include the Quality Center for Business in Farmington, Leadership San Juan, the Aztec Buy Local Committee, Sustainable San Juan, Earl's Vendor Program providing support for 700 Native artists and artisans in Gallup, Native Hands Co-op in Gallup, Proactive Host customer service training program, and the Future Foundations Family Center in Grants.
<p>✓ <i>Capitalizing on Innovative State Development Programs</i></p> <ul style="list-style-type: none"> • New Mexico operates One Stop Career Centers in each of our three counties and provides a set of programs to assess workforce skill levels and offer targeted training programs. • New Mexico has established a Certified Communities Initiative that works in conjunction with the New Mexico Partnership to funnel business recruitment opportunities to local economic development organizations. • New Mexico Creates, a program of the Museum of New Mexico Foundation, provides opportunities for local artists and artisans to link to a vibrant arts market through museum gift shops and an online store.
<p>➤ <i>Creating New Strategic Partnerships</i></p> <ul style="list-style-type: none"> • The multiple jurisdictions in our region include six non-contiguous Indian reservations taking up about half the land area, along with county and municipal governments and two Land Grant communities with local government status. This creates a complex planning environment, but also offers the opportunity to forge new strategic partnerships. • The Native American Economic Development Strategy (NAEDIS) program has created a major opportunity to form strategic partnerships with tribal governments in the region to support targeted economic development initiatives.