

AA. ECONOMIC RESILIENCY & DISASTER REPOSE

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

1. 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.

- Unemployment – Regional unemployment rose from 6.6 percent in 2005 to 9.1 percent in 2011.
- Construction – Building permits in the Valley dropped from 239 in 2007 to 118 in 2011.

Economic Sector Trends – Some segments of the regional economy are influenced by changes – downturns as well as upswings – within those sectors. The most significant example is prices for agricultural products. Beef producers are benefiting from high sales prices due to a national reduction in cattle inventories. Potatoes prices are dependent upon production in other states like Idaho and Washington, and upon export opportunities.

- Beef Prices – According to USDA's Economic Research Service, choice steers averaged \$125/cwt. in February 2013 and averaged \$143/cwt. for February 2014.
- Potato Prices – Fall potatoes fell from an average price of \$10.70/cwt. in 2011 to \$6.50/cwt. in 2012.

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.

1. Payment In Lieu of Taxes (PILT) – The federal government pays counties for untaxable federal land in their boundaries. In 2012, that meant over \$2.5 million in income to the region, a critical portion of county budgets. Recent inaction by Congress to pass a new version of the Farm Bill jeopardized

PILT payments this year but a one-year extension of the legislation ensured the payments would continue – for another year.

2. **Wildfires** – Surrounded by forest, the Valley’s economy is extremely susceptible to the impacts of wildfires. That was re-enforced the summer of 2013 with the West Fork Complex fire that burned over 88,000 acres of forest in the Rio Grande National Forest. The communities of South Fork and Creede, heavily reliant on summer tourism and recreation, experienced very significant economic losses due to the fire. Also affected were timber interests and agriculture producers who rely on water from the drainage for irrigation.
3. **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.
4. **Drought** – The region has been under drought conditions for nearly a decade, 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.
5. **Forest Health** – 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. The standing dead trees pose public safety hazards along trails and campgrounds, as well as increase fire risks. Beyond the safety and fire concerns, there are likely impacts on tourism, recreation, and agriculture as the appearance and ecology of the forest changes.
6. **Non-earned Income** – Over 20 percent of the region’s base industry income comes from retirees, public assistance, and dividends, interest and rents. National economic conditions affect retirement plans and earnings from dividends and interest. Public policy affects Social Security, Medicare, and public assistance.

2. 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:

1. **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 retains jobs, or businesses considered low to moderate income with less than five employees.
2. **Micro-Enterprise Programs Loans** – Financing up to \$100,000 for low to moderate income business owners with five or less employees.
3. **San Luis Valley Enterprise Zone** – State tax credits enhance and provide ways for investment in projects in the region. The credits include:
 - a. \$2,500 credit for each job created by a new business facility
 - b. Additional \$500 for each job created by a new business facility if new jobs are in ag

- processing jobs
 - c. \$200 credit for each employee covered by employee-sponsored health insurance program
 - d. Tax credit for research and development
 - e. Tax credit for rehabilitation of vacant buildings
 - f. Incentives for job training
 - g. State sales tax and use tax exemptions
 - h. Further incentives may be negotiated by local governments
 - i. Three percent investment tax credit
 - j. Twenty-five percent tax credit for contributions to enterprise zone projects.
4. Expertise to assist projects with partnerships, collaborations, grantwriting and grant administration, and data collection and research.

3. 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, 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.

County Emergency Managers and Contact Information

Alamosa County - vacant
 Office: 719-589-6639
 24-hour contact: 719-588-5600
 Email:
 Alamosa County Public Health Department
 (719) 589-6639
 Alamosa County Sheriff (719) 589-6608

Conejos County - Rodney King
 Office: 719-274-5178
 24-hour contact: 719-589-5804
 Email: rodneykk@hotmail.com
 Conejos County Public Health and Nursing Service
 (719) 274-4307
 Conejos County Sheriff (719) 376-2196

Costilla County - Matthew Valdez
 Office: 719-672-9109

24-hour contact: 719-672-3302
 Email: Mathew.Valdez@costillacounty.net
 Costilla County Public Health and Nursing Service
 (719) 672-3332
 Costilla County Sheriff (719) 672-3302

Mineral County - William Fairchild
 Office: 719-658-2600
 24-hour contact: 719-658-2600
 Email: mincosheriff@centurytel.net
 Mineral County Public Health (719) 658-2416
 Mineral County Sheriff (719) 658-2600

Rio Grande County - Jerry Dennis
 Office: 719-657-4000
 24-hour contact: 719-657-4000
 Email: rgcoem@riograndecounty.org
 Rio Grande County Public Health Agency

(719) 657-3352
Rio Grande County Sheriff (719) 657-4000

Saguache County - Jim Felmlie
Office: 719-850-1516 - 24-hour contact: 719-655-2525

Email: jfelmlie@amigo.net
Saguache County Public Health Agency (719) 657-3352 or (719) 754-2273
Saguache County Sheriff (719) 657-4000

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.

4. REWACT

In cases of natural disasters, such as wildfires and floods, where emergency assistance is needed, responses to the recent West Fork Complex fire in Mineral and Rio Grande counties offer examples how to address immediate needs of affected businesses.

During the latter days of the fire, a team of organizations, government agencies, municipalities, and counties in the affected area was organized to develop a strategic plan for responding to the effects of the fire. The group took the name Rio Grande Watershed Emergency Action Coordination Team (RWEACT) and almost immediately began to address potential environmental impacts of the fire on area property owners and businesses.

Recovery for the area’s tourist-dependent economy was a primary focus of RWEACT from the beginning. Funding from a private foundation was secured for immediate needs and a local relief fund established. Efforts were made to boost regional tourism promotion and financing opportunities were made available from SBS and a local lender.

Two Business and Employment Disaster Assistance Centers were created, with support from the Colorado

Department of Local Affairs, to assist business owners and employees affected by evacuation and environmental conditions. Service provided included unemployment enrollment, small business counseling, application assistance, financial counseling, and distribution of insurance information. San Luis Valley Development Resources Group to participated in both assistance centers.

5. Other emergency contacts and information

Online - <http://www.slvemergency.org>

Poison Control - 1-800-222-1222 (In an emergency dial 911)

Sign up to receive Code Red Emergency Notifications

Consumer Protection (Restaurant and Child Care Inspections) (719) 657-9243

Environmental Health (719) 589-6639

SLV Emergency Preparedness and Response (EPR) Regional Staff

Planner (719) 587-5213

Trainer (719) 587-5199

Epidemiologist (719) 589-6639

SLV Homeland Security Coordinator - (719) 480-1767

SLV RETAC - Coordinator (719) 587-5274

Regional Medical Director or CQI Coordinator - email slvrmdcqi@gmail.com

San Luis Valley Community Mental Health Center

24-hour Crisis Hotline (719) 589-3671

Call Center (719) 589-3671

Xcel Energy - to report power outages - 1-800-895-1999; <http://www.xcelenergy.com/Outages>

SLV Rural Electric - for outages and emergencies - 719-852-3538 or 1-800-332-7634

Colorado Office of Emergency Management - www.coemergency.com

Colorado Department of Public Health and Environment (CDPHE) - 303-692-2000

To report a community public health emergency or hazardous substance spill event, call the 24-hour

Emergency Reporting Line at 1-877-518-5608.

SLV Citizen Corps & Medical Reserve Corps - (719) 588-2481

American Red Cross - (719) 580-5120