

Presentation to
The Town of Taos
&
Taos County

2013 Taos Economic
Development Action Plan

What We Will Cover Today

- 3 Points About Our Economy
 - Where have we been?
 - Where are we now?
 - Where are we going?

Where Have We Been?

- Economic Development not recognized as a need
 - “Tourism will keep us alive”
- By 2006 our economy was in a STEEP DECLINE
 - How did this happen?

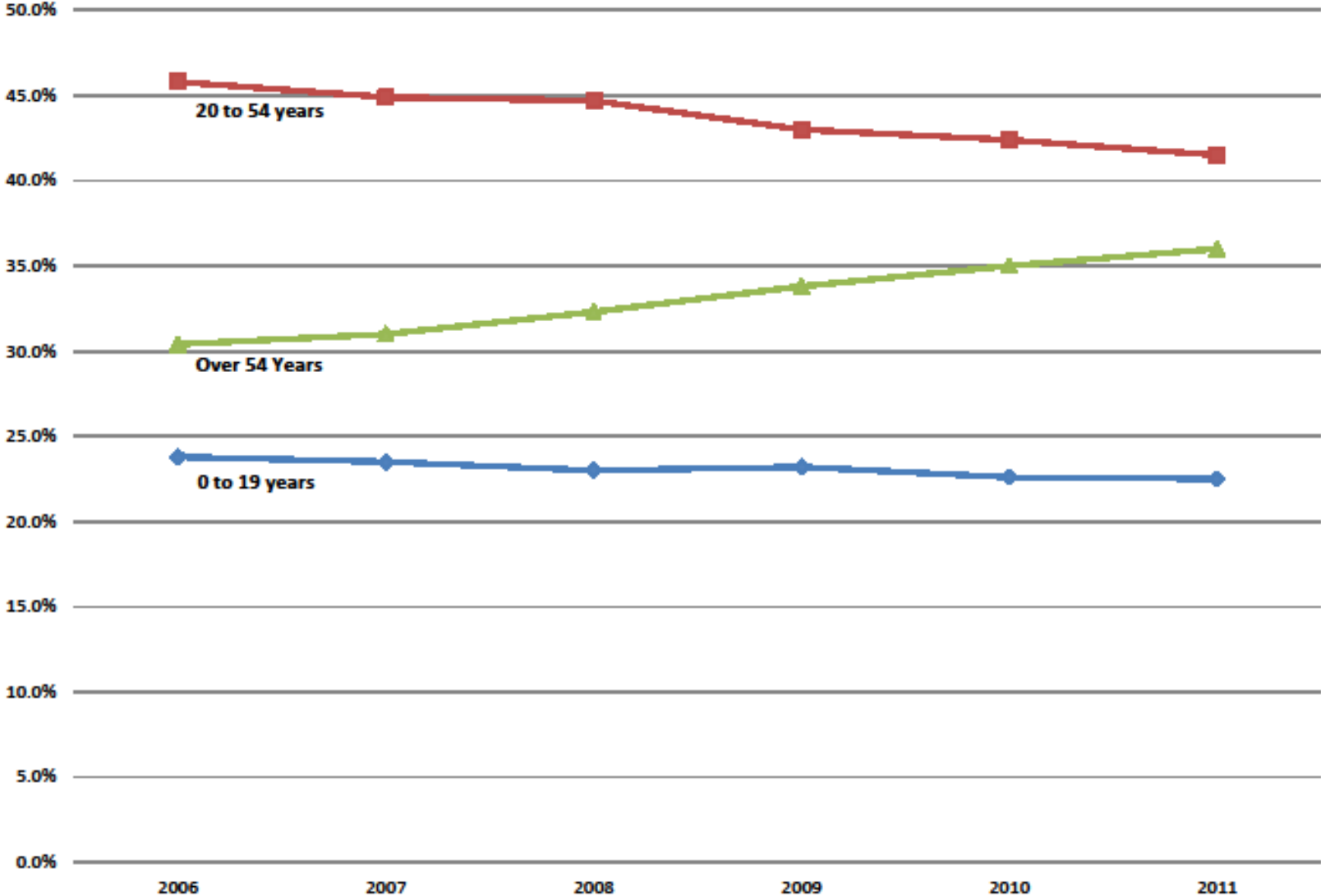
Where Have We Been?

- Town hires LeapPartners
 - Community participation in the planning process.
 - **February 2013** two public kick-off
 - **May 2013** Public Roundtable Discussion with 13 representatives of government, business and community.
 - **June-August 2013** Creation of Work Groups
 - Creative Industries
 - Business retention, expansion, and incubation (BRE&I)
 - Tourism and Retail
 - Technology
 - LeapPartners gathered and analyzed economic data to support or dismiss goals of work groups.
- LP writes CED Action Plan and submits to the Town on September 27th, 2013.

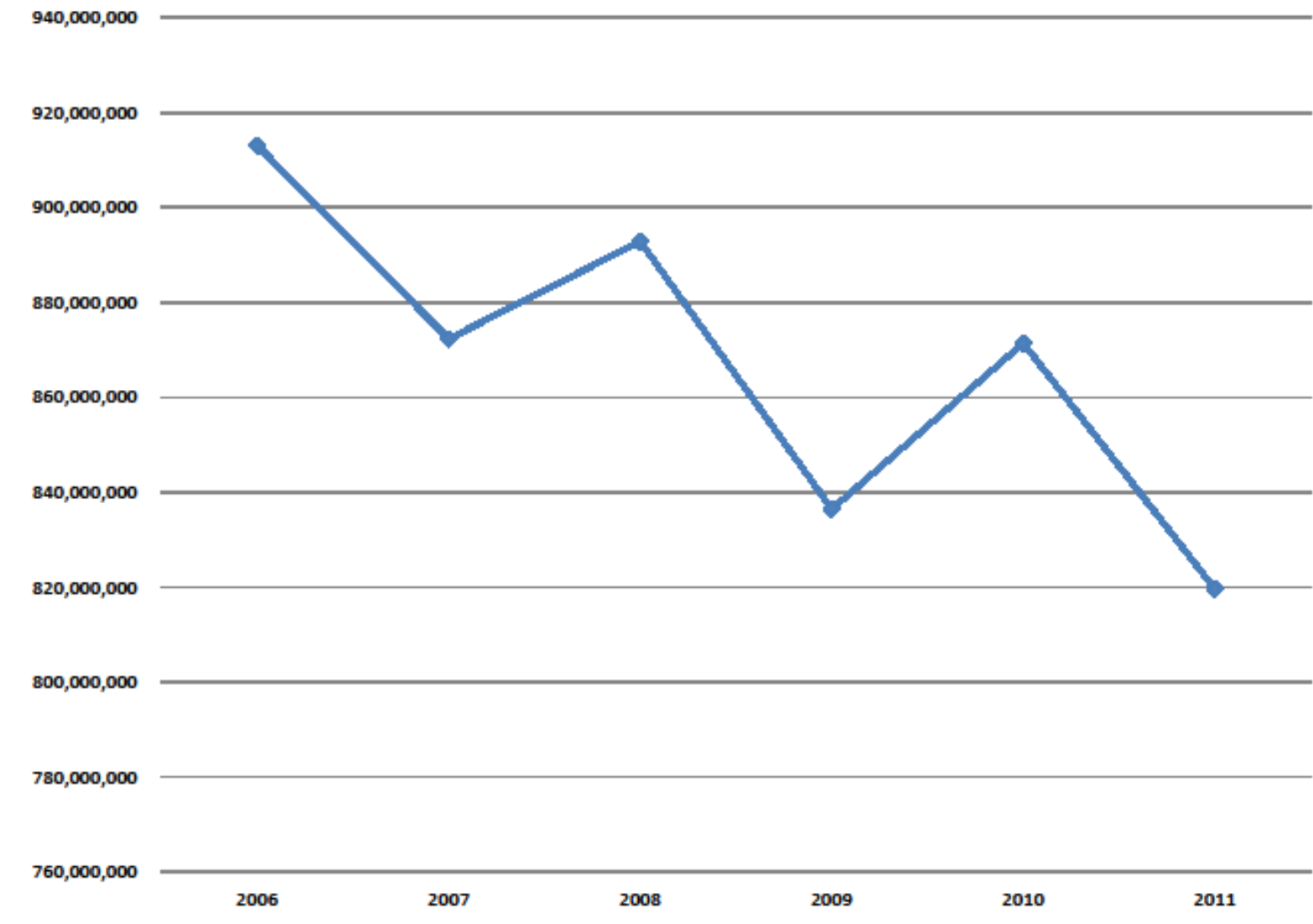
Where Are We Now?

- Observations of the economy
 - What do we all see? Is it right?
- The hard numbers that back it up
 - Economic Report Card
 - What do these numbers mean?
- What is the Taos Economy really?

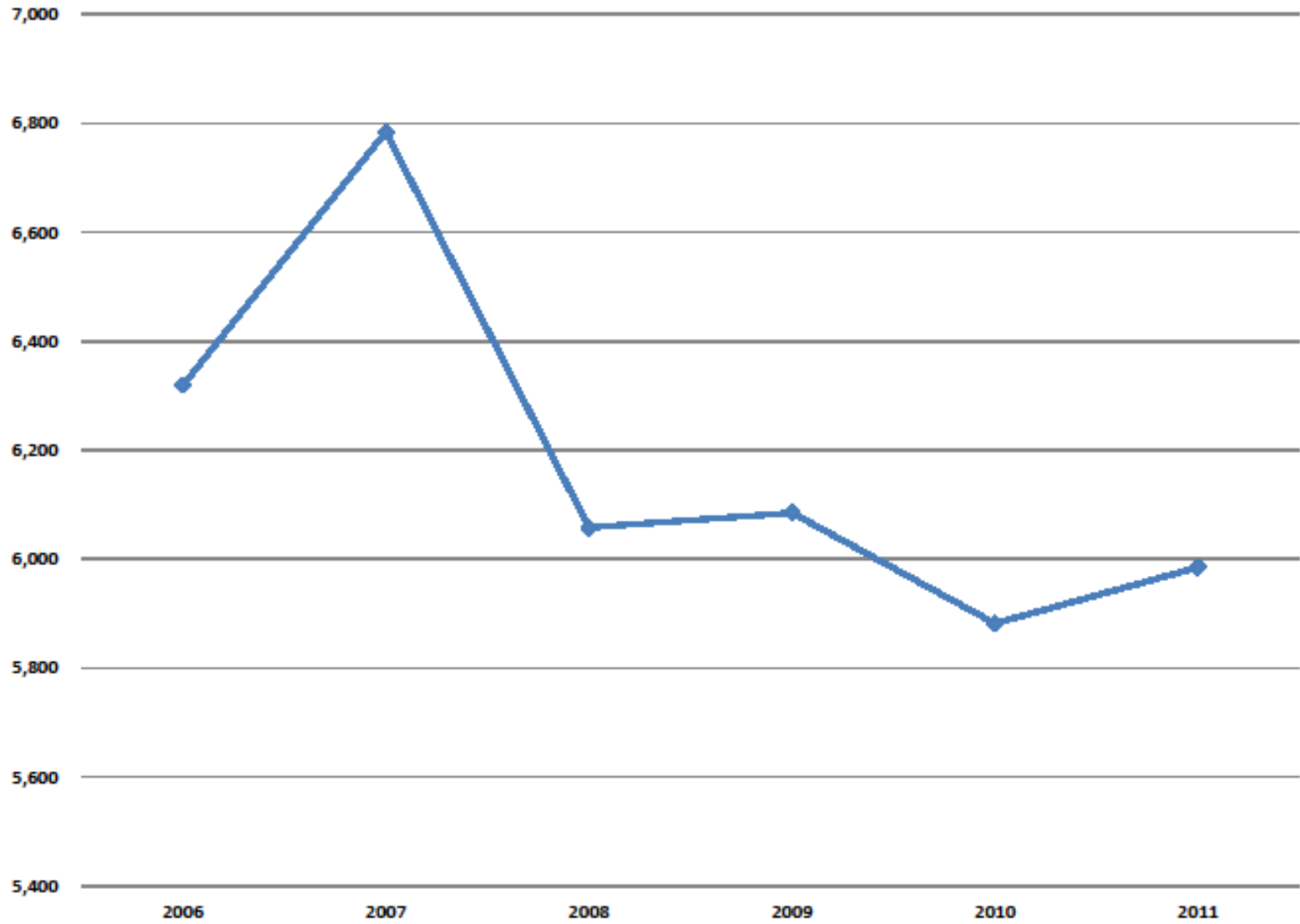
POPULATION BY AGE COHORTS



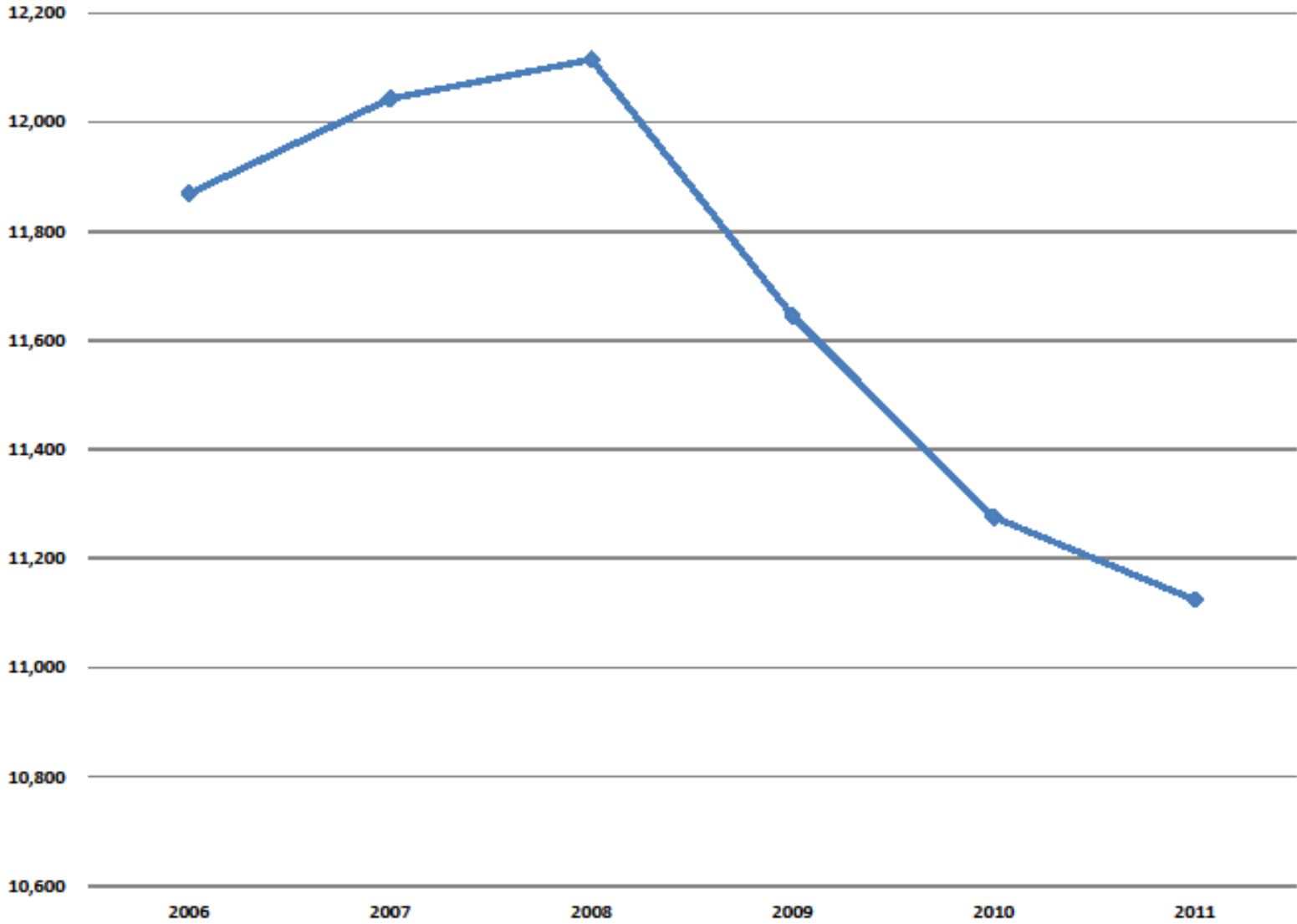
BUSINESS ACTIVITY (GOODS & SERVICES)



PROPRIETOR'S EMPLOYMENT

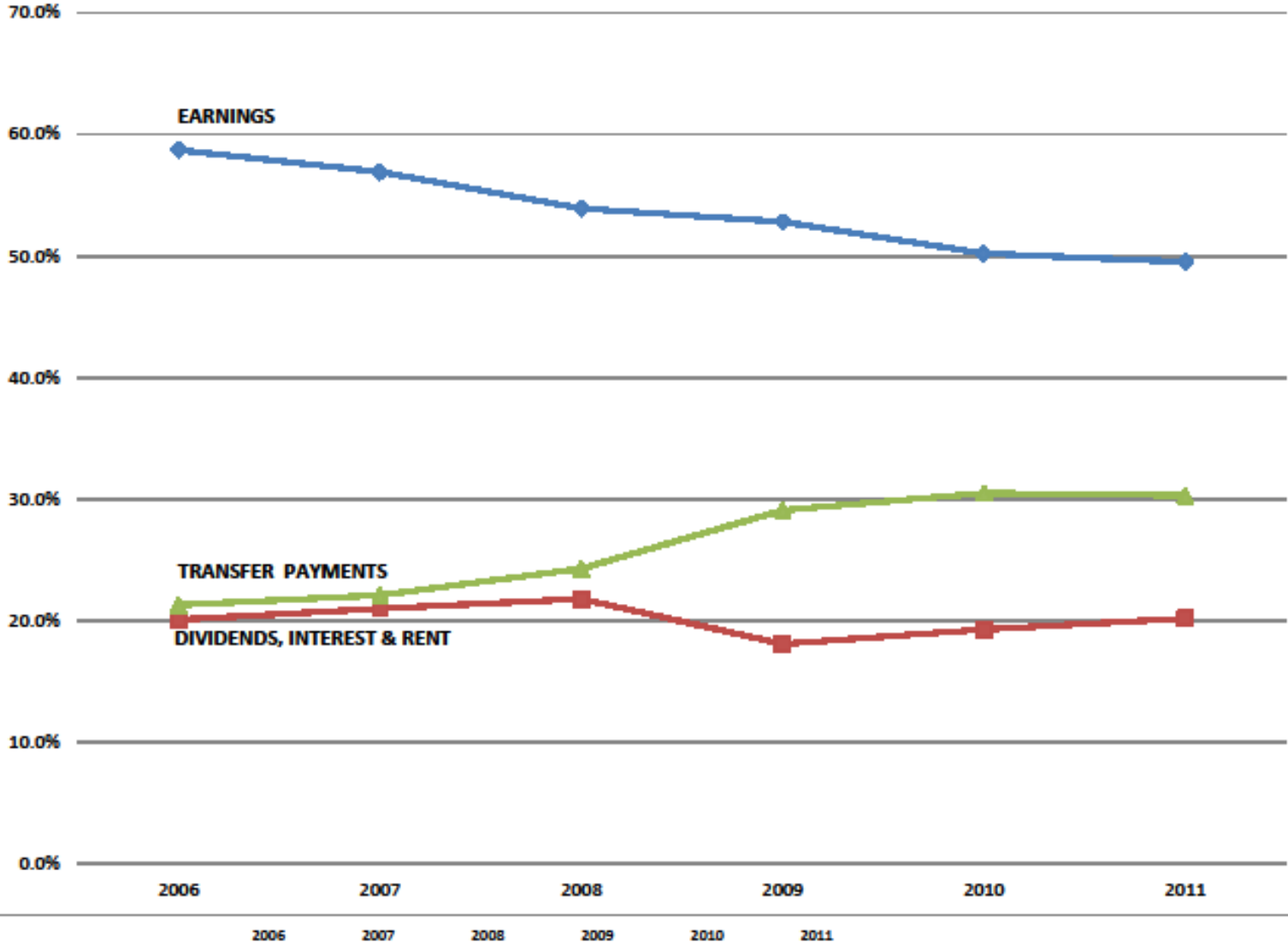


EMPLOYEE EMPLOYMENT





TYPES OF INCOME



What Do These Numbers Mean?

- We are losing working age population and gaining retirees
 - Retirees are no longer wealthy
- Business activity – goods and services- is dropping significantly
- Employment is dropping as working age people leave and unemployment is high for those who stay
- Income is flat – for employees – or falling – for proprietors/owners
- 51% of our income is from inactive sources – 20% interest, rents & dividends – 31% from government assistance – unemployment, disability, etc.

What is Economic Development?

- Focus on:
 - Nurturing new and existing businesses that sell goods and services outside of our community and bring money in
 - No different than your family
 - Its all about jobs
 - Keeping them
 - Creating them

The Real Taos Economy

What we think we are

&

What we really are

Arts, Entertainment & Recreation

- Is a minor part of the economy
 - Industry growth is flat (0%)
 - 2.7% of Taos' income
 - This does not account for the strong cultural affinity Taos has for this sector or its importance to community identity.

Agriculture, Forestry, Fishing and Hunting

- Is a minor part of the economy
 - Includes not only agricultural production but also guide services, adventure companies such as rafting
 - Industry growth is flat (0%)
 - 1.9% of Taos' community income
 - This does not account for the strong cultural affinity Taos has for this sector.

Accommodations & Food Services

- A core business
 - Relies primarily on tourism (volatile)
 - 40% of Taos' community income
 - Primarily low wage and low skilled jobs
 - Exhibits an anemic 1.14% growth in revenues.

Wholesale

- Almost entirely attributable to the activities of Chevron Mine
 - Raw product sold to a seller or manufacturer
 - 16.2% of Taos' community income
 - high wage and skilled jobs
 - entirely dependent on market forces.

Manufacturing

- Little manufacturing occurs in Taos (primarily personal care products and food)
 - 9% of Taos' community income
 - Some small manufacturers went out of business and relocated.
 - Despite these setbacks, the industry has remained stable
 - Personal care product sector is showing signs of rapid growth.

Information (Technology)

- Robust growth industry
 - 15.9% of Taos' community income
 - At 16.48% annual revenue increases new businesses are likely to form creating new employment
 - high wage and high skill industry

Professional, Scientific and Technical Services (Technology)

- Growing sector of the economy
 - Includes R & D, architecture, engineering, accounting and legal services
 - 13.7% of Taos' community income
 - high wage and highly skilled jobs

Where Are We Going?

- Two Choices:
 - Do nothing
 - Do something

Where to focus our efforts?

- Shore up and stabilize certain sectors
 - Tourism (accommodations, food services, tourism retail)
 - Art, entertainment & Recreation
 - Agriculture, forestry, fishing and hunting
- Put substantial investment of time, effort and money into:
 - Information (Technology)
 - Professional, scientific and technical services
 - Manufacturing (primarily personal care products)

Where Are We Going?

- Who is going to do the work necessary to capitalize on our growing portions of the economy?
 - No existing capacity among existing organizations
 - Need regional approach

Principal Recommendation

- Create a Regional Economic Development Organization
 - To be successful it must be:
 - A public/private partnership of oversight and funding
 - Focus only on community income producing industries & jobs
 - Annually evaluate, revise and/or create goals
 - Work with the New Mexico Partnership to attract businesses

What Can I Do?

- Town and County work together to fund, through USDA Rural Development, the creation of a Regional Economic Development Organization
- Support the establishment of a Regional Economic Development Organization
- **LEADERSHIP**
 - Talk to local, state and national political leaders about economic development and encourage them to support and fund the effort

What Can I Do?

- Advocacy
 - Networking
 - Phone calls
 - Talking about economic development
- Engage the communities in the Enchanted Circle to create a partnership
- Work regionally to build the Regional Economic Development Organization that will:
 - Focus on community income and jobs
 - Be self sustaining
 - Grow our community without the loss of identity

Questions & Answers



LeapPartners