

An Economic Strategic Plan for the Lake Powell Region

Local Success

May 2017



Sponsored by Coconino County with funding from the USDA. Developed by the Economic Collaborative of Northern Arizona.





A NEW OPPORTUNITY: Lifestyle is the New Economy

A phenomenon, dubbed the “Green Coast” in a 2013¹ article, describes the growing trend of lifestyle economies.

Greg Gianforte, a charismatic man with a goatee who resembles Mr. Clean, is known for passionately stalking opportunity in the West – both in the boardroom and in the woods. He tells the story of once rising before dawn during hunting season, suiting up in camouflage, and disappearing into the rugged foothills around this small Montana city.

After shooting a black bear with a bow and arrow, he hurried home to put on jeans and a starched shirt, and headed into the office just in time for a 10 a.m. conference call with clients on the other side of the world. They, of course, had no idea what he had done that morning before work.

"The Internet removed geography as a significant obstacle that formerly prevented out-of-the-way places from being active players in the New Economy," says Gianforte. "I think this is the future."

Gianforte's successful venture, and his passion for the outdoors, helps explain why the Mountain West is now one of the most robust regions in the United States. Drawn by the area's natural amenities, a new generation of entrepreneurs and professional service providers, many of them well educated, is moving into towns like Bozeman and other scenic communities across the West.



From Kalispell, Mont., near the Canadian border, down the spine of the Rockies to places like Durango, Colo., and Taos, N.M., and over to Flagstaff, Ariz., they are adding an entrepreneurial dynamism to the region, a phenomenon first identified by analysts with the Federal Reserve banks of Kansas City and Minneapolis who track economic barometers.

These software engineers, biotech researchers, medical specialists, outdoor-gear manufacturers, and day traders are being

joined by a wave of retirees who want to take advantage of the outdoor lifestyle and relatively inexpensive living costs. Together, economists say, they helped the Mountain West enter the recession later than other parts of the US and come out of it sooner. Now the region leads in population and job growth.

How may the Lake Powell Region capitalize on this new movement?

¹ Christian Science Monitor, 2013



Community Review

In April 2016, Coconino County, in conjunction with the Page-Lake Powell Chamber of Commerce and Page City Government, hosted the 2016 Economic Outlook Conference, to share information and generate ideas for future economic development, and gather stakeholders from Coconino and Navajo Counties in Arizona, and Kane County in Utah. Included in the conversation were members of the Navajo Nation. With the Navajo Generating Station shutting down, this gathering served as an initial step in forming a vision for a prosperous region, and identifying economic development strategies.

At the April 28, 2016 Page Economic Outlook Conference, the 200 participants shared thoughts including the following:

CONCERNS

- We could see a 25% decrease in what we're seeing right now – wages, spending in the area
- Need to prepare for change
- A lot of the people in the industry are skilled; many business owners complain about lack of skilled workers. There is opportunity for these skilled workers to fill existing gaps. May be a good opportunity for local workforce to re-engineer selves towards tourism economy.
- As communities come together, little nervous about focus on tourism. Those are low paying jobs, easy to fix and easy to gravitate. But need to discuss how to get other industry here with higher paying jobs. Expand the base.
- Currently we're "harvesting" a resource; transition to "create" a resource. Harvesting fossil fuel/tourism. Shift in approach.

IF YOU WERE HERE 40 YEARS FROM NOW, WHAT WOULD YOU SEE DIFFERENT?

- Collaborative efforts
- Technology based
- Far more diverse – anytime we plan for an economy built around 1 it's volatile. Diverse in skills, people, industry, and opportunity. Tourism, industry, health care etc.
- Image = great resource. Be very intentional about crafting and marketing that image
- We'd be open at night
- Thriving housing market
- Focused on development of downtown with design focus – attractive to tourists. Not just a stopping point for 2.2 days (Kanab, Moab, Sedona – downtown has a focus); Locals develop more pride
- If 80% of tourist dollars are spent after 6 pm, capture tourist money by staying open until 9 pm
- Purposeful, integrated restructuring of infrastructure – street, sewers, internet. Purposeful realignment of the community. Correct the hodge-podge put together.

WHO WOULD PARTNER IN THIS EFFORT?

- Everyone in this room; creating a collaborative economic development scenario is key. Working across region that pools resources; avoid working as single entities. Navajo, Kanab, Page



- Utilizing existing resources – Navajo Nation, Waweap, Antelope Canyon, Aramark’ inconsistencies in partnership is a hurdle. “Abra Kanabra” (Kanab, UT) should be a big partner.
- Brand USA – promoting Page area; national partners recruiting tourists internationally
- Residents of Page, Kanab, Navajo Nation, Counties; if we don’t bring them along they don’t have buy in and vote against. Avoid alienating residents, include them in building vision.

OTHER IDEAS

- Consistent messaging
- Attract new industry
- Reduce outward migration of youth
- Communications & technology training
- Pool economic resources for the region
- Be consistent across jurisdictions
- Collaborate more
- Overnight delivery logistics

In October 2016, a USDA Rural Business Development Grant was secured by Coconino County to take the initial work begun at the Economic Outlook Conference and expand on it, culminating in this Economic Development Strategic Plan for the region. The purpose was to:

- Identify new opportunities that the region could capitalize on
- Develop strategies to attract those opportunities to the region and build a long-term plan
- Implement tactics to achieve economic results in tandem with the local communities
- Energize long-term economic impacts via milestone outcomes.

Coconino County officials have been working closely with Navajo County government leaders to explore possible ramifications of NGA plant closure, identifying solutions. As an outgrowth, in late 2016 and early 2017, a number of one-on-one interviews and focus groups were conducted to gather more specific information and ideas from stakeholders, including multiple Navajo communities including Kayenta, Shonto, in Navajo County, Tuba City, LeCee, and Bodaway/Gap, Page City Council, Page Chamber of Commerce, in Coconino County, and Kane County, Utah tourism and economic development with an ongoing total of roughly 250 participants.

Findings and Economic Drivers

With roughly 500 high paying jobs, the Navajo Generating Station has been a major economic driver in the region for decades. The skills of those employed at the station are largely of a technical nature and not readily transferrable to other local or regional industries, such as lower paying jobs in tourism. Closing of this facility is destined to leave large numbers of families either relocating, or left





without the financial stability they have had. Being fueled by coal from the Kayenta Mine, the loss of mining jobs would further exacerbate the impact of the loss of the generating station.

The Kayenta Mine employs upwards of 400 largely Navajo and Hopi workers and extracts coal from the Black Mesa, largely used to fuel the Navajo Generating Station. At this time, there are no US shipping ports that will ship coal internationally, the closest being Vancouver, Canada, leaving this mining facility producing exclusively for North American customers of coal. However, transportation of coal is another challenge. The nearest rail line is a two-hour drive.

The Lake Powell Region is enriched by having multiple cultures, including western and Navajo among others. As these cultures interface with one another, it's important to understand their individual histories.

Page began in 1957 as a housing community (or government camp) for workers at the Glen Canyon Dam and their families. The Bureau of Reclamation had exchanged 17 acres in a land swap with the



Navajo Nation to accommodate the camp. As the community grew, a number of homes were constructed for workers. Most of these homes remain occupied today. After the dam was completed, by 1974, the bureau stepped aside, and after a popular vote by the residents, the town of Page was formed. By a formal resolution of Coconino County Board of Supervisors, the town was incorporated March 1, 1975. The bureau donated the 17 square miles of land to the new town and handed over equipment, building, and funds to run the municipality. Page was named after John C. Page, a proponent of the West and reclamation projects.

The new roads and bridge built from 1957 to 1964 for use during construction has made the community accessible to tourists, allowing it to become the gateway to the Glen Canyon National Recreation Area and Lake Powell. Proximity to many tourism draws in the Southwest has helped to evolve the economy to one reliant on tourism.

Page is also the home of two of the largest electrical generation units in the western United States. Glen Canyon Dam has a 1,288,000-kilowatt capacity when fully online, providing 5 billion kilowatt hours annually. The other power plant to the southeast is the Navajo Generating Station, a coal-fired steam plant employing roughly 400, of which roughly 90% are Navajo. NGS generates 2250 megawatts (9MW or 2,250,000 kilowatts (KW)).





From the Navajo Nation Division of Economic Development:

“The Navajo Nation has come a long way from the treaty of 1868 which established the tribe as a sovereign nation.

Today the Navajo Nation is the largest Indian tribe in the United States, with Navajo communities’ land covering a total of 17.5 million acres. In 1921, upon the discovery of oil, the US government created the first form of the Navajo Tribal Council a six-man business council — for the sole purpose of giving consent to mineral leases.

In 1936, the US Government issued the "Rules of the Navajo Tribal Council," which formed the basis for the Navajo Nation's government that remains in effect today with an annual budget of about 96 million dollars. One hundred and ten Navajo communities comprise the local form of government, hold meetings in community gathering houses, and members vote on issues such as land use plans. In 1984, the Navajo Nation Council established a Permanent Trust Fund, into which the tribe deposits 12% of all revenues received each year.

The uppermost tier of Northern Arizona is impacted by its reliance on surface coal mining at the Kayenta Mine. Kayenta Mine had 387 employees in 2014, representing a 10.42% decline in employee numbers between 2012 and 2014; Kayenta Mine’s workers had a 7.7% average production increase per employee per hour from 2013, despite a decrease of 4.4% in the number of employees. Exacerbating the problem is a decrease in coal use at the local coal-fired plant, Navajo Generating Station, which consumes almost 20% less coal than it did 15 years ago. In February 2017, Salt River Project officials announced their intent to end power production at NGS at the end of their lease in 2019. The impact of losing 400 jobs at NGS and almost the same number at Kayenta Mine points to the need to retool the regional economy.

Besides the revenue support of natural resources, the tribe is engaged in major development targeted toward health, education, economic development, and employment. Plans include improvements to its current infrastructure that can support job-creating enterprises while increasing services and benefits to the Navajo people.

The Navajo Nation is rich with scenic beauty, culture, and history. The Navajo people are world-renowned for their silver and turquoise jewelry and hand-woven rugs. Thousands of tourists each year are attracted to the Navajo Nation to enjoy the scenic wonders including Monument Valley, Canyon de Chelly, Chaco Canyon, Hubbell’s Trading Post, and Shiprock.



In English, the initial name for the area was “Navajo Indian Reservation,” governed since

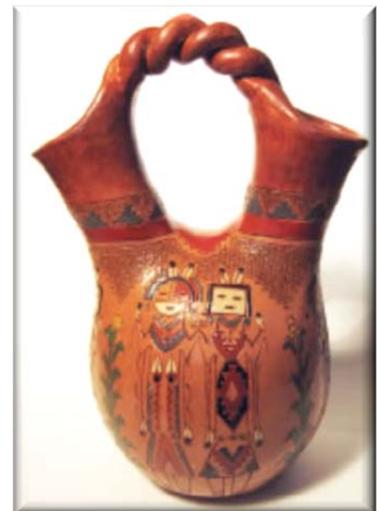


1923 by the “Navajo Tribal Council.” On April 15, 1969, the official name on the seal used by the government was to “Navajo Nation,” stating that from that day on “all correspondence, stationary, letterheads (...) of the Navajo Tribe use the designation “Navajo Nation” to locate the tribe.” In 1994, a proposal to change the official designation from the “Navajo to Dine” was rejected by the Council.²

The Western Navajo Agency (a division of the Bureau of Indian Affairs within the US Department of the Interior) provides quality services to the Navajo Indian people within the western region of the Navajo Nation. The western region encompasses Utah and Arizona. The Western Navajo Agency is comprised of both Indian and Trust services programs. The Agency Trust services programs are Natural Resources and Real Estate Services. Trust services programs are under the general supervision of the Regional Program Divisions, whom report to the Deputy Regional Director, Trust Services. The Indian services programs are Transportation and Safety programs and are under the general supervision.”

The society and economy of the Navajo have been continually evolving in response to new opportunities and challenges since their first arrival in the Southwest, so it is difficult to speak of any traditional economy. During most of the reservation period, from 1868 to about 1960, the people depended on a combination of farming, animal husbandry, and the sale of various products to traders. The cultivation of maize was considered by the Navajo to be the most basic and essential of all their economic pursuits, although it made only a relatively small contribution to the Navajo diet. The raising of sheep and goats provided substantial quantities of meat and milk, as well as hides, wool, and lambs that were exchanged for manufactured goods at any of the numerous trading posts scattered throughout the Navajo country. Additional income was derived from the sale or exchange of various craft products, especially rugs, and of piñon nuts. Beginning in the early 1900s, a few Navajo were employed by the Bureau of Indian Affairs and in off-reservation towns and ranches, but wage work (monetary compensation paid by an employer to an employee in exchange for work done as a fixed amount for each task completed or at an hourly or daily rate) did not become a significant feature of the Navajo economy until after World War II. By the 1980s, wage work was contributing about 75 percent of all Navajo income, although the more traditional farming and livestock economies were still being maintained throughout the reservation as well. Tourism, mineral production, and lumbering are the main sources of cash income on the Navajo Reservation.

The oldest of surviving Navajo crafts is probably that of pottery making. Only a few women still make pottery, but they continue to produce vessels of a very ancient and distinctive type, unlike the decorated wares of their Pueblo neighbors. The art of weaving was learned early from the Pueblos, but the weaving of wool into heavy



²The Navajo Political Experience - Page 43, David E. Wilkins



and durable rugs in elaborate multicolored patterns is a development of the reservation period and was very much stimulated by the Indian traders. For a time in the late nineteenth century the sale of rugs became the main source of cash income for the Navajo. While the economic importance of weaving has very much declined in the twentieth century, most older Navajo women and many younger ones still do some weaving. Apart from woven goods, the most celebrated of Navajo craft products were items of silver and turquoise jewelry, combining Mexican and aboriginal Southwestern traditions. Other craft products that are still made in small quantities are baskets and brightly colored cotton sashes, both of which play a part in Navajo ceremonies.

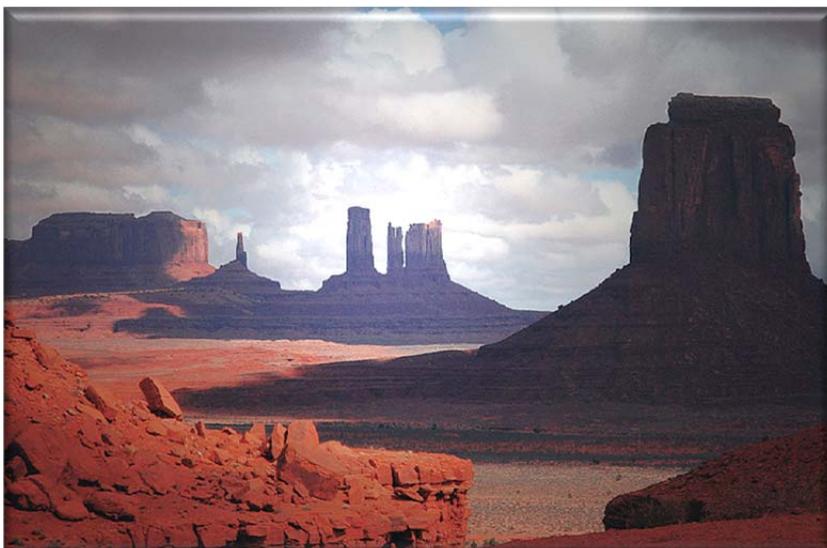
Named for a Paiute word meaning "place of the willows," Kanab, Utah, was settled in 1864 when Fort Kanab was built on the east bank of Kanab Creek for defense against the Indians and as a base for the exploration of the area. Indian attacks forced the abandonment of the fort in 1866. In 1870, ten Mormon families moved into the fort and began to establish the present town. That same year

Brigham Young, President of the Mormon church, visited the area twice, making suggestions and supervising the town planning.



For many years, Kanab was one of the most isolated cities in the nation. It was cut off from the east by the Colorado River and could only be reached with difficulty by rough dirt roads stretching over the rough terrain of the Arizona Strip west toward Las Vegas, NV. A twenty-three-mile journey north to Orderville, UT, took nearly four days.

Today, Kanab is a scenic tourist town with a friendly western spirit where tens of thousands of tourists stop to enjoy the "Old West" quality of life each year. The history in Kanab comes alive in the architecture of the old homes and buildings of the community.



From the City of Page: "Lake Powell is the center of recreational opportunities for Page, Arizona. The lake has 1960 miles of shoreline, which is longer than the entire West Coast of the continental United States. There are 96 major canyons to explore as well as Rainbow Bridge National Monument that can be explored via watercraft.



Located in the center of "Canyon Country," Page is just a short drive from the North or South Rim of the Grand Canyon, Bryce and Zion National Parks, Monument Valley, and Canyon De Chelly. Annual events include golf tournaments on Lake Powell National Golf Course, bass fishing tournaments, mountain bike racing, and rodeos."

The entire region is notable for its wide-open spaces and scenic views. The isolation is part of the charm of the area, but poses challenges as well. When considering growing or attracting business to the area, the proximity can also cause logistical difficulties. Rail and interstate highways are a 2 hour drive away; State Route 89, the primary connector, is a two lane road bypassing the heart of the community of Page. Most notably, several years ago, a portion of SR89 collapsed, adding significant distance and time to the commute to Page. With sparse population levels throughout the region, road networks are few and often tenuous.

The isolation of the area means that the types of shopping and amenities available, particularly for permanent residents, are very limited. The lack of amenities for millennials was noted in focus groups.

For residents of Page and visitors alike, a common concern was the lack of activities in the city, especially during evening hours, and a lack of restaurants. Visitors leave Page for day trips and return to discover few entertainment options beyond modest dining experiences. Residents describe the limited options for dining and nightlife in Page.

Many year around residents have forebears who came to the area to build the dam or the generating station. Family roots hold many to the area. While being an isolated community contributes to its tight knit nature, it also seems to have an apparent low tolerance for change. This atmosphere has benefits but also can be a detriment to the "welcoming nature" of the community. A tight knit community can make it difficult for those who are new to blend in. It can also make the notion of change daunting. It becomes easier to perpetuate the idea that "this is the way we've always done it."

With the advent of modern technology and communication, the region is destined to grow. Lifestyle attraction will play a major role that growth. Communities which create a welcoming environment and have developed needed infrastructure will capitalize most on this phenomenon.

The two Navajo Communities which lie closest to the study area are LeChee and Bodaway/Gap. The community of LeChee consists of a population of 1,443 [2010 Census]; 359 homes, and a grazing unit area (pop: 128; 62 homes). Geographically, the area encompasses 293,013 acres and is bordered by the Lake Powell Recreational Area and the Colorado River, the City of Page, and Coppermine, Kaibeto, and Inscription House. Tourism is the major industry in this region as 2.9 million visitors come to recreate on Lake Powell and to tour such attractions as Antelope Canyon, and travel on to picturesque destinations.



The LeChee Community is the closest and most impacted by the future of the Navajo Generating Station. Community members expressed concern that they are completely dependent on the City of Page for food, gas, jobs, and infrastructure (noting it's inadequacy), including broadband, fire hydrants, water lines, electricity, and streets which are heavily used by tourists.



A concern was articulated about confusion and disagreement over infrastructure maintenance responsibility. Also noted was that the high retail prices and taxes in Page adversely impact permanent residents' cost of living, and the cost to the environment by the heavy tourism was of concern. Generally, there was some frustration about the appearance of the community, cleanliness, maintenance, and the problem of abandoned animals.

Bodaway/Gap consists of six main communities, including Navajo Springs, Bitter Springs, Cedar Ridge, the Gap, Hidden Springs, and the Junction. These communities consist of housing developments, houses of worship, airstrip, basketball courts, and abandoned buildings. The terrain is composed of deep canyons, open desert, and towering red rock cliffs. Elevations in Bodaway/Gap vary between 3,000 feet at the Colorado River to 7,000 feet atop the Echo Cliffs. The area is characterized by high elevation desert scrub and juniper woodlands. Ephemeral washes cross the area, the three largest being Tanner Wash, Moenkopi Wash, and Hamblin Wash. This community is located within Land Management District 3 and is part of the Western Navajo Agency. It is composed of approximately 561,586 acres, 466,725 acres of which were part of the former Bennett Freeze, which is almost 83 percent of the community's land base. The following communities within this area were affected by the former Bennett Freeze: Cedar Ridge, the Gap, Hidden Springs, the Junction (U.S. Highway 89 and U.S. Highway 160), a section of the Little Colorado River Valley Gorge, and the residents along the Colorado River.



Kanab, Utah is the commercial center of a large farming, ranching, and recreational community. The city of Kanab, county seat of Kane County, has capitalized on calling itself "Little Hollywood" because of its film-making history over the years. This town of 4,300 sits at the hub of the Southwest's national parks and offers vacation opportunities year-round. Kanab is located 7 miles north of the Arizona border on U.S. Alternate 89, and is

centrally located between Las Vegas, NV, Phoenix, AZ, Albuquerque, NM, Denver, CO and Salt Lake City, UT. It is surrounded by a variety of western geologic scenery ranging from coral pink cliffs and sand dunes, volcanic craters and lava flows to deep canyons, majestic mountains, and plains.

Housing stock in the region is sparse. The City of Page has an aging housing stock, much of which was constructed in the 1960's by the Bureau of Reclamation for worker housing. Page also has a sizeable percentage of manufactured housing, much of it located in close proximity to the center of town. Much of this housing is also aged. There are also a few enclaves of more current, but less affordable housing.

Customer service was oft cited as a weakness in the region. Some of this could be attributed to the transient nature of the hospitality industry and seasonality of the Page tourism market, however, the fervor with which this was noted again and again seems to warrant attention. This delicate balance was reflected in a common theme in interviews and focus groups, that of unreliable or poor customer service. The specifics of what constitutes "unreliable" or "poor" customer service was noted as "walking off the job", lack of service skills, and the turnover factor due to seasonality.

The workforce in the region consists of a disproportionate percentage of population working in food preparation and serving (15.81% of population in Page vs. 5.76% nationally), and working in production, transportation, and material moving (31.63% in Page vs. 12.09% nationally). Similarly, the field of sales, office, and administrative support is significantly lower than the national numbers (6.98% in Page, vs. 24.36% nationally). Sectors that showed 0.00% of population engaged include:

- Engineering, computers, science
- Legal
- Education, library
- Arts, design, media, sports, entertainment

With tourism and hospitality as strong an economic force as it is, it is not surprising that the workforce tends to be transient and seasonal. In addition, those living in the region, need to balance the isolation with the myriad recreational and cultural opportunities in the region. It's easy to imagine someone



taking a job in the tourism industry in the area, precisely so that they can avail themselves of the region's offerings. This may mean a delicate balance between work time and recreation time. Western and Navajo cultures recognize a different set of norms for prioritizing work, family, time commitments, and other routine expectations. This chasm can cause a conflict in the workplace and a lack of common understanding of "normal" business practices which could, if treated differently by the communities, cause friction.

The Navajo Nation faces a different set of housing obstacles. Navajorenisance.com provides a succinct history of the Bennet Freeze area and its impacts on the region:

In 1934, the federal government sought to add about 234,000 acres to the Western Agency of the Navajo Reservation (the Navajo Reservation was created in 1868). The 1934 action proved to be contentious, as the Hopi Tribe claimed ownership of the land in question, citing that it was part of 2.5 million acres of land set aside for the Hopi people in an 1882 executive order signed by President Chester A. Arthur.

Over three decades passed without resolution of the land-ownership dispute and in 1966, at the request of Secretary of the Interior Stewart Udall, Robert Bennett, Commissioner of Indian Affairs, placed a "freeze" on development of the disputed area—some 1.5 million acres in size. Under the freeze, any future development of the disputed land would require consent of both tribes, and revenues from the land would be held until ownership claims were resolved.

The effective result of the Bennett Freeze was nothing less than a complete halting of improvements and progress for the thousands of people who lived in the affected area. That developmental stagnation has persisted to this day, although light has finally begun to break for the people as recent legislation has initiated a "thaw" of the Bennett Freeze.

In addition to the freeze on development and improvements, the Navajo Nation has historical grazing rights that are handed down from one generation to the next, whether they are utilized or not. These multi-layered rights interfere with the ability to gain the necessary rights and approvals for improvements. The Navajo Nation also owns the land. Thus, individual home ownership is a different model than it is off this Nation, as owners own their home, but not the land on which it rests. Banks have traditionally had less interest in making loans for construction in this scenario, and owners are reticent to invest money into upgrading a house or building new, if they are not certain how long they will be able to stay on the land.

High school students from the Navajo Nation are bused from as far as an hour away to Page schools. Many living in conditions that are not conducive to regular attendance, and making parental engagement at the school very difficult. The transportation infrastructure is a challenge for transporting students efficiently. Many roads are primitive and connections indirect.

Education and training are offered at the Coconino Community College branch in Page, however, one source of frustration expressed was the lack of job training opportunities matched to local jobs. CCC



has been working to coordinate educational opportunities in the area with Dine College and Navajo Technical College. The process started with a conversation, and now four educational institutions are working hard on a partnership to strengthen higher education for the benefit of residents in the northern-most parts of Coconino County.

Coconino County Supervisor Lena Fowler and Coconino Community College President Dr. Colleen Smith have been working closely together on potential partnerships that will benefit children in need of opportunity and veterans seeking civilian jobs. Plans to address these needs include partnerships between Diné College, Northern Arizona University, Navajo Technical University, and Coconino Community College to benefit the entire region.

“The three institutions and Northern Arizona University are discussing ideas to coordinate offerings to students in northern Coconino County in order to provide more educational opportunities while preventing overlap of services”, Dr. Smith said. Ideas concerning educational programs that are needed in the area and which college would be able to provide courses at various levels of degrees are being considered.

The project, which would use the multiple facilities, is being called the Higher Education Consortium Project. With a strengthened emphasis on higher education, the intended outcomes include a stronger economy and labor force.

Industry/Income

Tourism has been a strong sector in the region and has significant potential to grow. Since the construction of Glen Canyon Dam and subsequent development of Lake Powell, the region’s tourism has burgeoned. Coupled with improvements to travel infrastructure, automobiles, and proximity to other scenic and cultural destinations, the area has built up a lively tourist industry. Page currently can boast of over 2200 hotel rooms. Kanab lists a total of 879 lodging rooms, including bed and breakfast and vacation rentals. This sector, however, is seasonal, and tends to draw a transient workforce. Those who are interested in working four days and recreating for three, for example, may be drawn to this recreational paradise, but may then find that work is sparse in the winter months when the industry wanes. This makes it harder to maintain a reliable, committed, and well trained workforce.

The waxing and waning of the hospitality industry as the tourism seasons change leave the City of Page with limited resources for year-round residents. Many focus group members indicated that service can be poor at local venues, and in the winter, very few options available. This, coupled with the isolation factor, make the idea of living in Page a bleak one for some – making it harder to draw new businesses.

Tourism - The City of Page and the Lake Powell area attract a unique visitor population. A “Page Tourism Survey 2014-2015” was conducted by Arizona Hospitality Research & Resource Center, WA Franke College of Business at Northern Arizona University, paints us a picture:

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- Of 1,065 surveyed, the vast majority (77%) states their visit to Page was not the primary destination of their trip; for the remainder (23%), the visit was one stop on a longer trip.
- Main destinations for those passing through were Grand Canyon National Park, Los Angeles, Las Vegas, and San Francisco.
- The top reason for the visit was leisure (80%).
- Half of visitors were from out-of-state (51%), 43% were international visitors (representing 38 countries), and just 6% were Arizona residents.
- The vast majority of visitors (79%) were first time visitors to Page, with the remainder (21%) repeat visitors. National averages for repeat visitation is over 50%.
- When asked about interest in attending events, Native American culture/dances were highest at 38.4%



The most popular activities fell into three categories:

Local Venues			Outdoor Recreation			Public Lands		
	Count	%		Count	%		Count	%
Dining out	434	63.5	Hiking or walking trails	390	47.3	Grand Canyon Nat Park	612	67.8
Lake Powell Visitor Center	281	41.1	photography	359	43.6	Glen Canyon Nat Rec Area	493	54.6
JW Powell Museum	260	38.7	Slot canyon tours	341	41.4	Bryce Canyon	436	48.3
Shopping	185	27.1	Colorado River smooth water rafting	218	26.5	Zion National Park	421	46.6
Native Am. art & jewelry	125	18.3	Lake Powell boat tours	158	19.2	Horseshoe Bend	393	43.5
Navajo Village Heritage Center	44	6.4	Boating/house boating	10160	12.1	Carl Hayden Visitor Center	181	20.0
Native Am cultural programs	41	6.0	Other	81	9.8	Lees Ferry	101	11.2
Nightlife	35	5.1	Mountain or road biking	22	2.7	Grand Staircase – Escalante	78	8.6
Air tours	34	5.0	Grand Canyon whitewater rafting	18	2.2	Rainbow Bridge	61	6.8
			Rock climbing	17	2.1	Vermillion Cliffs	56	6.2
			Fishing	16	1.9	Paria Canyon	44	4.9
			Golfing	13	1.6			
			Off Highway Vehicles	10	1.2			



When asked, visitors to Page identified the events they would be interested in attending:

Interested in Attending		
	Count	%
Native American culture/dances	219	38.4
Geology & history lecture series	189	33.1
Balloon regatta	169	29.6
Native American arts/jewelry shows	160	28.0
BBQ / Chili cook off	138	24.2
Rodeo/ roping/bull riding	138	24.2
Major music festival	122	21.4
Art shows	117	20.5
July 4 th festival	88	15.4
Car shows/ motorcycle events	56	9.8
Wakeboarding contests	51	8.9
Sports tournaments (baseball, softball)	45	7.9
Gymkhana or equestrian events	25	4.4
Other Page area events	25	4.4
Fishing tournaments	23	4.0
Golf tournaments	15	2.6
OHV Competition	13	2.3
Triathlons	9	1.6

So, the location and associated activities are a primary draw to the area. However, in Page, with just 21% of visitors on returning visits, this low number is alarming compared to surrounding communities. As an example, the numbers are 52% return rate at Navajo Nation and 60% in Flagstaff. We believe this could be an opportunity by improving service skills.

The typical visitor to the region has a higher average annual household income (\$102,000) than that of the average for Arizona visitors (\$67,000), and spends on average per party, \$442 per day.

Astro-tourism is a growing opportunity in the region. Isolation has afforded the region notably dark skies. Northern Arizona as a whole continues to attract a growing astronomy community.

As part of the tourism industry, arts and culture also play a role. The Navajo hand arts are a unique offering in the area, and are something that can be created year-round including Native American dance performances and pow wows, art shows, and an annual air show. As noted in the Page survey, “Native American culture/dances” was the highest rated request at 38.4%.

Air transportation is a community resource, and provides significant opportunities for tourism. Air travel in Page is limited which presents another challenge for businesses or for those commuting to jobs out of the area. Page Airport is a commercial service airport with daily flights to Denver and Phoenix. Situated on 536 acres in Northern Arizona bordering Lake Powell, the airport is served by two runways 5,950 feet in length, and a crosswind runway 2,200 feet in length. The Airport is served by three full service FBO’s: American Aviation, Classic Aviation, and Lake Powell Jet Center and several charter services. Annual passenger rates on the one commercial airline has declined from 14,000 to 5,000 in the last five years. Reportedly, this is due to the regularity with which flights are delayed or



cancelled. With a new carrier being engaged, the airport expects four daily trips from Phoenix and more reliable service. They anticipate an increase within the first 12 months of new service to 7,000-8,000 passengers per year. Air tours of Lake Powell and environs consists of roughly 250 people per day in the summer months. Private and corporate aircraft utilize the Page airport regularly, with a summer average of 50 per day. The runway can accommodate planes up to 95,000 lbs. such as Gulfstream 650. Annual averages of roughly 25-30 per day are the norm.

According to the Airport Manager, upgrades to the airport and runway could allow the expansion of service to accommodate regional jets, however, the cost of doing so hits 10 million dollars.

For the purposes of both Page tourists and residents, a central gathering place is lacking. This, coupled with the lack of a pedestrian friendly city center, creates a space in which people cannot easily or naturally congregate, celebrate, and integrate. With more than 2000 hotel rooms in Page, a welcoming city center could strengthen the tourism sector. When tourists enjoy the vitality and energy of the community core, it is likely that businesses considering locating in the region will find it similarly inviting.

Boating marinas on Lake Powell generate significant tourism, with an emphasis on houseboats, as well as tours of the region. Hiking tours, dinner cruises, and scenic tours are all part of the draw which brings visitors from near and far to the area. The Lake Powell Marina is run by Aramark, which is a concessionaire for the National Park Service, Glen Canyon National Recreation Area. Antelope Point Marina is run by Antelope Point Holdings LLC, which is concessionaire of the National Park Service, and lessee of the Navajo Nation.



The downtown streetscape of Page was often noted as an area of much needed attention. The business district is not pedestrian friendly, nor aesthetically appealing. The road is wide, and does not include on-street parking. Parking areas are situated between the sidewalk and the business in many cases.

Internet connectivity has historically been spotty in the region. With unreliable internet, business growth and attraction can be a challenge.

Connectivity is being pursued with the extension of fiber cable lines to the community from Utah.

Agriculture has been a historical tradition on the Navajo Nation. Cattle and sheep continue to be part of the economy, however, there have evolved some weaknesses in the quality of the sheep stock (leading to poor wool quality). Cattle, while able to graze early in their growth, are unable to grow to maturity in a timely manner. There are few options for “finishing” locally in a timely manner.



The sunlight and water in the region may provide an opportunity to explore modern hydroponic greenhouse farming or some similar protected technique as a future economy. In the traditional Navajo economy, there was a rigid though not total division between male and female tasks. Farming and the care of horses were male activities; weaving and most household tasks were female activities. More recently, however, both sexes have collaborated in lambing, shearing, and herding activities, and both men and women are now heavily involved in wage work on or off the Navajo Nation lands. Although males played the dominant roles in Navajo ritual activities, there has always been an important place for females as well. All range land, however, is treated as common and collective property of the whole community and is unfenced.



Grazing rights are handed down through families over many generations. Although the families still maintain the rights, few families continue to raise livestock. There exists an opportunity to reinvigorate this industry through new advanced agricultural technologies.

There is a modest amount of manufacturing in the region. Two of the largest entities are Yamamoto Bait (~ 34 years in Page) and Page Steel (~49 years in Page). Yamamoto Bait manufactures bait for bass fishers around the world. Page Steel manufactures structural steel, often used for billboard structures. HB Tool and Die has been in Page for roughly 26 years.

A theme repeated was the difficulty of interface between western and Navajo traditions and cultures. The regularity with which this issue surfaces seems to indicate a real opportunity to benefit the region, and especially for both Page and the western Nation Navajo Agency from focused attention. Cultural integration appears to be a challenge in the Page area, yet, the richness of the interface of this cultural diversity holds promise. The integration and interface of the cultures is the responsibility of all.

The total of all sales taxes, including state, county, and local taxes is 9.9% in Page, vs. the average Arizona sales tax after local surtaxes is 8.17%, and the national average is 6%.

TAX RATES			
	City of Page Tax Rates	State/County Tax Rates	Combined Tax Rate
Most goods and services	3.0%	6.9%	9.9%
Restaurant/Bar	4.0%	6.9%	10.9%
Hotel/Motel AND additional Hotel/Motel taxes	3.0 + 4.263	6.9%	14.163%



Taxes in Page are significant, and a concern about which focus group participants spoke repeatedly. In fact, many mentioned the regularity with which they took their business to other communities with lower taxation rates. The higher taxes contribute to driving business out of the area.





SWOT Analysis – A review of focus group input and data, result in an array of strength, weaknesses, opportunities, and threats (SWOT), which are summarized below. The Lake Powell Region as reflected in this study includes Page, Arizona, Western Navajo, and Kanab, Utah.

<p>Strengths</p> <ul style="list-style-type: none"> • Natural environment • Spectacular scenery • Isolated communities • Visitors • Cultural history • Land resources • Bountiful workforce • Friendliness of the local people • Scenic roads • Livestock industry • Glen Canyon Dam • Workforce is skilled in education, health care, trades, artistry 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Housing • Hospitality/Customer Service • Taxes • Lack of a “town common” in Page • Cultural integration • Infrastructure • Insular community • Identity/sense of place • K-12 education • Bussing K-12 to Page and Tuba • Long commutes to work • Navajo Nation government red tape • Dependency on outlying communities • Tribal “income tax” • Lack of Navajo Nation Police • Cell grid is weak • Saving and budgeting skills needed – Navajo
<p>Opportunities</p> <ul style="list-style-type: none"> • Education • History and culture • Agriculture/cattle/sheep • Water usage by NGS • Improve agricultural skills and practices • Education – business entrepreneurship • New markets for wool • Improve wool quality • Alternative energy • Growth of tourism by improving guest services • Local feed lot • Fishing for export • Hollywood, facilities for movies • Ideas for new lifestyle housing • Land to expand the community 	<p>Threats</p> <ul style="list-style-type: none"> • Limited vision for growth • Isolation • Weak air transportation • Workforce • Infrastructure maintenance confusion and disagreement • Lack of property rights • Lack of land management • Long commutes • Inadequate infrastructure • Lack of opportunities for children who pursue education to return. • Permitting problem at Navajo Nation – nepotism, and convoluted process • Aging population will need care • Nation is competing in business • In-town activities • Racial tolerance



LAKE POWELL REGION STRATEGIES: ***Lifestyle as an Attraction for New Businesses***

The strategies presented here are broad recommendations based on focus group input, interviews, and pertinent data. Developing an action plan will require regional collaboration and participation of all stakeholders. We present here, a starting point for conversation and action.

The Lake Powell region is rich with cultural, scenic, and recreational resources. Yet, the isolation, seasonality of the tourism industry, and limited options foster an unpredictable economy, especially one heavily reliant on two primary sectors; energy production and tourism.

For the region to build a stronger economy, a number of strategies rise to the top. To attract new business, leveraging the unique lifestyle and natural/cultural resources is a major factor. To retain a dynamic workforce, the same could be said. Building on the strengths of what the area has to offer is a key component to the road to success. By focusing on strengthening the identity of region as a great place to live and to visit, it is more likely to attract return visitors, which in turn will attract businesses in search of a lifestyle destination for employees.

Suggestions for Page / Kanab

Improve the visitor experience to attract new industry

- Culture and Community
 - Create a broader sense of understanding and acceptance between cultures
 - Embrace the need for Intercultural training and attitude
 - Foster a stronger sense of community and inclusiveness, engendering cultural sensitivity across the board (This is reflected in the focus group comments around the need for a more optimistic attitude.)
 - Create a welcoming environment and streamlined process for outside companies to establish and do business in Page / Kanab.
 - Improve visitor repeat visits from 21% to +50%
 - Identify service gaps
 - Implement ongoing service training for owners, managers and employees.
 - Implement Service Recruitment Strategies early each year
 - Downtown Page as an attraction for events, shopping, dining, strolling
 - Identify a “primary” location to accommodate a new permanent “Town Common”
 - Walkable streetscape with unifying hardscape and landscape theme, human scale street, storefronts
 - Design process as a unifying activity within the community



- Opportunity to rally residents around a common project for the benefit of the entire community, generating a sense of inclusion, and optimism
- Develop center of town attractions for both residents and visitors
 - Indian Jewelry marketing area
 - Performing arts area
 - Art exhibits
 - Farmers Market
 - Invite new hospitality businesses
- Identity
 - Rebranding the area as a destination as well as a stop along the way
 - Create new attractions such as Astro-tourism
 - Foster an environment that is welcoming to all
 - Cross market the entire region
 - Tie into dam visitor center which serves as a nexus for visitors
 - Cross market new areas for visitors i.e. Escalante Staircase Monument
 - Work closely with the three major entities in Page, Kanab, and Navajo
 - Activities for visitors and residents alike, in the city as well as the region
- Industry
 - Build the community by attracting new light industry
 - Identify and / or create industry sectors compatible with the lifestyle of the community
 - Improve broadband service so it is reliable with improved speed
 - Identify key areas with infrastructure for industry
 - Develop long term attraction marketing plan targeting sectors
 - Tie visitor marketing to business attraction
 - Develop an attraction team
 - Think collaboratively with all in the region
 - Be willing to accept where a business may land in the region
 - Utilize wide area workforce
 - Design and deliver appropriate education and workforce training opportunities that fits with all sectors
- Housing Infrastructure
 - Review City codes to accommodate “adaptable” housing
 - Identify infrastructure gaps
 - Identify areas for new residential development and redevelopment
 - Identify areas for workforce housing
- Strategic Infrastructure
 - FAA grant to expand the Page airport to accommodate regional jets
 - Improvements to Page and Navajo utility and transportation networks



Suggestions for the Navajo Nation

Create an environment for local success

We recognize and respect that the Navajo Nation has its own sovereign governance; these suggestions are provided for the Nation's consideration.

- Create a broader sense of understanding and acceptance between cultures
 - Embrace the need for Intercultural training and attitude
- Foster a stronger sense of community and inclusiveness, engendering cultural sensitivity across the board.
- Identify methods and infrastructure to attract industry (manufacturing/distribution) onto the Navajo Nation
 - Focus on Western Agency and the Northern Region communities
 - Identify viable industries
 - Create a welcoming environment and streamlined process for outside companies to establish and do business on the Nation
- Integrate higher education to the region's needs
 - Examples are hospitality & digital products training
 - Workforce development compatible with the arrival of new industries
- Identify agriculture opportunities as an "export" business
 - Greenhouse agriculture
 - Hydroponic Irrigation
 - Sheep
 - "Refresh" sheep stock to increase wool quality and lamb market
 - Explore international market for lamb products
 - Grow the market for quality Navajo wool
 - Cattle
 - Step up grazing activity with modern techniques
 - Feed lot
 - "Navajo" branding to the market
 - Cattle collaborative to increase grazing
 - Fish
 - Bass or other species for export (smoked?) branded Navajo
- Infrastructure
 - Identify individual community needs for infrastructure and prioritize.
 - Address assistance capabilities from Western Agency and Window Rock
- Housing
 - Navajo communities to identify areas available for housing



- Plan for anticipated retirement of aging housing including significant manufactured home stock
- Strengthen and expand affordable workforce housing options
- Business expansion
 - Identify new business needs in each Community
 - Tie higher education to entrepreneurial development
 - Activate business startup via community members
 - Look to Native American Business Incubator Network & SBDC for support
 - Streamline process for entrepreneurs in Navajo Nation governance
- Tourism
- Renewable Energy
 - Tie in to power grid

RECOMMENDATIONS FOR NEXT STEPS

These are primary recommendations and suggestions. As such, it is up to the communities of the region to come together, and to embrace and develop those that resonate. Collective follow-through in a focused planning process, including specific steps for implementation, will not only develop a stronger, more sustainable economy, but a sense of pride in community. The region is rich with unique population, history, and natural resources. Much can be accomplished towards a diversified economy in the area, but only by coming together to build the social infrastructure and a strong regional collaboration.