

TSV renovation could be economic engine

By J.R. Logan

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When the general contractor for Taos Ski Valley's massive base area renovation went looking for workers at a job fair in Questa earlier this year, they found a much bigger turnout than they were expecting.

"It was a little sobering," says Doug Clark, business development director for Jaynes Corp. "I had no idea there was going to be that many people there."

Taos Ski Valley is in the first phase of a massive renovation that could bring an estimated \$350 million in investments to be undertaken by owner Louis Bacon over the next decade. The project is being hailed as a badly needed economic jumpstart in a region that's languished since the onset of the recession more than seven years ago.

Between 2006 and 2011, Taos County's construction industry shed more than 700 jobs. Then, in June 2014, Chevron announced it was shuttering its Questa mine, leaving another 300 people without work.

So, in what's been an otherwise depressing or at least disappointing economy, many see the hundreds of millions in private investment to the resort as a welcome change of pace. And there are hopes that the projects planned at the resort will put people to work — not just in the short-term, but long into the future — and fuel the economy of the surrounding region.

"The impetus of this project is going to have an effect that ripples out in multiple layers," said Gordon Briner, CEO of Taos Ski Valley, Inc.

The initial impact of the years-long investment: putting construction workers to work.

Earlier this year crews got to work on the first phase — worth about \$60 million — which includes the construction of a modern, 80-room hotel in the heart of the base area. Dirt work on the site has been finished, and crews are currently hanging steel girders and pouring structural cement as the building's skeleton is erected.

Clark says Jaynes Corp believes it has an obligation to the community to hire locals. The resort says it shares that philosophy. But they're not the only developers who share that credo. As others have found, in Taos County at least, hiring local is sometimes easier said than done.

For instance, when Taos County was building its \$36 million administrative/judicial complex in 2011, government officials offered incentives if the contractor could get more than half the workforce locally. But for most of the project, it struggled to get more than 30 or 40 percent from

in and around Taos.

Kit Carson Electric Cooperative also made a concerted effort to get locals on crews installing fiber optic cable. A lot of local excavators got work digging trenches, but the co-op found there weren't enough people with the necessary certifications to do some of the more specialized (and better paying) work.

At the moment, Clark says about 70 people from the area have been hired by Jaynes Corp, Taos Ski Valley, Inc., or by one of the subcontractors and suppliers working on the project. He expects that number to climb to as much as 150 locals once the work becomes less specialized (most of the workers are hanging steel girders or pouring concrete at the moment) and the company starts hiring painters, carpenters, plumbers and anyone else needed to put the hotel together.

An economic development analysis prepared for the resort predicted that the development would directly employ 185 people in 2015 and 364 people by 2018. In 2015, wages for those construction jobs were expected to directly add more than \$19 million to the local economy.

The report pointed out that construction jobs, by their nature, are often seasonal. But it also argued the commitment by the resort to several years worth of projects means there may be some consistency, and some people may be tempted to move to Taos to help with the project.

While previous project managers have found it hard to find local crews that have the necessary skills or can pass a background check, Clark says one of the biggest challenges across the state has been finding capable workers who are still doing construction.

"We have lost so many folks who didn't just leave the state but left the industry," Clark said. "It hasn't been as easy as you would think. There's not this pool of talented folks just waiting to get in because a lot of those folks just left. They had to find something else."

For those who are hanging on and found a spot on a crew at the Ski Valley, Clark says he's seen a strong work ethic. He says there's a sense that this is an important opportunity to prove themselves. "This is such a high profile project for the state, that nobody wants to let anybody down," Clark says.

Jaynes Corp and the resort plan to hold another job fair in Taos, perhaps next spring, to find employees to help when construction of the hotel ramps up.

Once it's built, the economic analysis predicts the temporary construction work will be replaced with a "significant number of new, permanent job positions."

"New employment will be generated as increased resort visitation generates increased revenues," says the report.

Those new visitors and new revenue — an estimated \$19 million a year to the resort alone — will be key if the resort's investment is to pay off, both for the company and for the regional economy.



Katharine Egli

A crane lowers steel girders into the newly constructed lower half of the Taos Ski Valley's new hotel Monday (Sept. 22).