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GALLUP MAINSTREET COMMUNITY ECONOMIC ASSESSMENT

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UNIVERSITY OF NEW MEXICO
BUREAU OF BUSINESS AND
ECONOMIC RESEARCH



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3.1 PRINCIPAL FINDINGS OF COMMUNITY ECONOMIC ASSESSMENT

1. **Demographics:** Gallup's population is young but slowly growing (5% increase population between 1990-2000).
 - a. The median age of Gallup's population is much lower than that of the State as a whole (31.1 y/o compared to 34.6 y/o). The relative youth of the city's population is evident for all age cohorts: the under 5 y/o population is 8.2% of the total compared to 7.1% for the State; the 5 to 18 y/o population is 15.6% compared to 9.1% for the State; the critical working age population, from 18 to 65 y/o, is 58.3% of the total compared to 60.4% for the State; finally, the senior population over 65 y/o is 8.9% of the total, compared to 11.7% for the State. The implication is that Gallup has a large youth population relative to its working population.
 - b. Native Americans represent nearly 37% of the community's population, more than four times that New Mexico statewide proportion, and the growth of this population far exceeds that of the population as a whole. During the period 1990-2000, Native Americans grew from 33.2% to 36.6%, while the white population declined from nearly 50% to 40%. The share of the population that speaks a language other than Spanish at home (presumably Diné) and speaks English less than 'very well' is expectedly higher in Gallup than in the State as a whole; while the share that speaks Spanish at home and English less than 'very well' is proportionately small.
 - c. The mobility of Gallup's population is line with that of the State's population. Residents of Gallup and McKinley County are slightly more likely to move within the County but slightly to have moved into the County during the 5 years prior to the Decennial census. Contrary to Statewide trends, McKinley County saw a slight decline in migration into the County in 1995-2000 relative to 1985-1990.
 - d. Educational attainment of Gallup's population is in exact proportion to that of the State: 21.5% of those 25 y/o and over do not have a high school diploma; just under half have a high school degree but no post-secondary degree; and the remaining 28.6% have a post-secondary degree. These shares are average figures, and there is significant variation by ethnic group.
2. **Housing:** low vacancy rates, particularly for specified owner-occupied housing, are beginning to result in higher costs of housing in Gallup.
 - a. Homeownership in Gallup is well below the State average (60.6% of housing units are owner-occupied compared to 70.0% for the State), and

contrary to national and state-wide patterns, remained flat during the 1990-2000 period.

- b. Significantly, housing vacancy rates in Gallup are low (4.3% compared to a State vacancy rate of 5.2%). The period 1990-2000, low vacancy rates have begun to translate into higher housing costs, particularly for owner-occupied housing. The share of total household income spent on housing by homeowners with a mortgage increased from 19.7% to 21.9% from 1990 to 2000, and is now only slightly less than a State average that is strongly influenced by the high of cost of housing in Albuquerque and Santa Fe.

3. **Income:**

- a. Per capita incomes in Gallup are on par with the State average, and above that of most other New Mexican communities outside of Albuquerque and Santa Fe. Incomes in Gallup are more than twice those of other parts of McKinley County – per capita incomes in Gallup in 2000 were \$15,789, compared to only \$7,682 in other parts of the County.
 - b. Fully 83.3% of all households in Gallup receive incomes from salaries and wages, compared to 79.5% for the State; conversely, only 19.4% and 12% of households receive incomes from social security and retirement benefits, compared to statewide rates of 25.5% and 17.4%. The differences reflect the age structure of the city's population, with relatively small population of senior citizens.
 - c. Despite solid incomes and the high proportion of earnings from wages and salaries, unemployment and poverty rates are higher than in the State as a whole. This suggests a disproportionate divide in terms of income levels, separating a majority of the community from a relatively few who experience high rates of unemployment and poverty.
4. **Gallup economy:** Gallup has a huge surplus in taxable gross receipts, nearly \$230 million in 2002, providing for solid city finances and opportunities for community investment. However, the data suggests a long-term erosion of Gallup's strong market position.
- a. **Market area:** The city of Gallup serves a market center for a large geographical region, encompassing eastern McKinley and Cibola Counties in New Mexico, and central Apache County in Arizona. The region includes a population of at least 125,000 persons. Wal-Mart, Home Depot and other large 'Big Box' stores anchor Gallup's market position.

- b. **Strengths** in Gallup's economy are associated with the city's location along I-40, the relative absence of competing retail centers in the region, and its status as the Seat for McKinley County.
- i. Retail dominates Gallup's economy and is the principal destination of dollars that flow into the city. The pull factor for retail trade (actual revenues in relation to revenues expected based on communities income) is a remarkable 379% (2002). In total, retail trade draws \$272 million into the city on a net basis, offsetting net losses in all other sectors of Gallup's economy.
 - ii. The principal engine of retail trade in Gallup is 'miscellaneous retail', which includes Wal-Mart. Miscellaneous retail alone has a pull factor of 561% and accounts for a net inflow of \$140 million in gross receipts.
 - iii. Motor vehicle dealers, auto accessory retailers, building material outlets, furniture stores, food retailers and other businesses that benefit from the relative scarcity of competition in the large market area also contribute significantly to strength of Gallup's economy. These businesses contribute an additional \$82 million to the economy on a net basis.
 - iv. Retail trade accounts for 3,354 jobs in Gallup, 14.3% of total employment. This indicates that, while retail draws substantial revenues in the city and contributes a great deal to gross receipt tax revenues, its contribution to employment is considerably less significant. Further, because the dominant retail outlets in Gallup are controlled by firms headquartered out of the area, the profitability of the stores has minimal impact on the local economy.
 - v. In addition to retail trade, highway-related businesses are an important part of Gallup's economy. Eating and drinking establishments, accommodations (hotels and motels), gasoline stations, auto rental and repair add at least \$50 million more in gross receipts on a net basis. (NOTE: gasoline sales are not subject to gross receipt taxation in New Mexico, thus available data does not include these sales. Gross receipts data for gasoline stations reflect sales from related convenience stores, but the pull factor of 275% represents a useful proxy of the impact of gasoline stations on the local economy.)
- c. The principal **weaknesses** in Gallup are in construction, transportation, and professional and business services. Given Gallup's strategic location along I-40 and as a regional center, these weaknesses are surprising.

- i. Transportation, communications and utilities account for a leakage of \$8.5 million; contract construction for an additional \$7.5 million; and wholesale trade for \$1.5 million.
 - ii. The service sector as a whole accounts for a net leakage of \$15.4 million. Losses are in business services (\$6.5 million), engineering and architectural services (\$3.4 million); hospitals and health care (\$2.1 million); and educational services (\$943 thousand). Finance, insurance and real estate represents further losses (\$1.3 million).
- d. There is evidence of a downward **trend** in Gallup's market position, as indicated by the recomposition and overall decline in the net inflow of gross receipts revenues into Gallup.
 - i. Between 1989 and 2002, Gallup's pull factor for total taxable gross receipts fell from 205% to 173%, resulting in a loss of \$10.5 million in the net inflow of receipts to the city (adjusted for inflation).
 - ii. The decline in the net inflow of taxable gross receipts occurred during a period in which Wal-Mart and other 'big box' retailers opened for business in Gallup, generating a net gain in surplus receipts of more than \$132.5 million. To be sure, a share of receipts by 'miscellaneous retailers' was, in part, a displacement of receipts from other categories, such as 'general merchandisers', 'department stores' and 'retail food stores'; but even discounting the combined net losses of these categories, 'miscellaneous retailers' accounted for a net increase of more than \$85 million for Gallup between 1989 and 2002.
 - iii. The trend is unsettling. Setting aside the gains associated with 'miscellaneous retailers' of \$85 million (discounting displaced revenues among related retailers) and in light of the overall decline in total taxable gross receipts of more than \$10 million, Gallup saw a decline in the inflow of total taxable gross receipts of more than \$95 million during the period 1989-2002. In other terms, if 1989-2002 trends continue and inflation-adjusted receipts of 'miscellaneous retailers' in Gallup increase no faster than those of neighboring communities (which is more than likely given the tendency of WalMart and other discount retailers to move into under-serviced areas), total net inflow of receipts into Gallup will decline by approximately \$11 million per year, measured in 2002 dollars. Following this trend, Gallup will be in a deficit position with respect to the net flow of gross receipt revenues in less than two decades.

- iv. A complete explanation for this trend is beyond the scope of this study. Logically, any explanation must turn on an increasing competition for access to the under-served markets in the Navajo Nation, which accounts for the majority of Gallup's market area. The competition likely comes from growth of businesses in other areas neighboring the Nation, including Farmington (which is receiving a second WalMart); Grants (which saw the development of a WalMart Supercenter in 1999); Show Low and Winslow, Arizona; as well as business development within the Navajo Reservation itself.

5. MainStreet:

- a. In 2004, 166 businesses and 2,827 jobs were located in the MainStreet service area. This represents 18% of all businesses and 12% of all jobs in the City of Gallup.
- b. Composition of businesses and associated employment in downtown Gallup is diversified and well-balanced. The largest sectors are public administration and retail. These core sectors are supported by both low-wage (hospitality, other services) and high-wage (professional, scientific & technical services, information services, wholesale trade, and transportation & warehousing) businesses. Governmental agencies predominate in the MainStreet area, and are represented in several sectors, including public administration (city & county government, and courts), health care & social assistance, and transportation (postal service).
- c. Businesses in the downtown MainStreet area are smaller (fewer employees) than those of other parts of Gallup. This is true for businesses in nearly all sectors, with the notable exceptions of public administration and transportation, where governmental and postal services employ large numbers.
- d. Accommodations (including hotels & motels) and arts & entertainment are all but absent in the downtown area. There are only two jobs in accommodations; 180 jobs in restaurants and drinking establishments, and no jobs in the arts and entertainment industry downtown. Further, there are only 180 jobs in food services and drinking establishments downtown, only 7% of the city-wide total.

6. Recommendations:

- a. Gallup's geographical situation is enviable. Its location along I-40 and proximity to the large and underserved Native American population provides a market for Gallup's retail and service industries that is many

times larger than that constituted by the community's own residents. Very high gross receipts revenues, particularly from retail businesses, provide the city with revenues that, on a per capita basis, are among the greatest in New Mexico.

- b. Despite these positive characteristics, there are significant opportunities for Gallup to further strengthen its local economy. In particular, the service sector, especially business and professional services, lags far behind the performance of the retail sector. To some degree this is explained by the limited development of the business environment throughout Gallup's large market area, but the presence of the governmental and administrative functions in the city ensures a ready market for these sectors.
- c. Government offices provide a strong foundation for the development of Gallup's downtown. These establishments are a source of employment and provide opportunities for a wide range of support services. Furthermore, retail is relatively strong in Gallup's downtown, certainly in comparison to many other similar sized communities in New Mexico. 22% of the city's retail businesses and 18% of city's retail employment are located downtown – a much greater share than downtown's 18% and 12% share of Gallup's business establishments and employment.
- d. The best opportunities for business development in Gallup's MainStreet downtown district are in hospitality industries, including accommodations, restaurants, entertainment venues and related retail and services. Presently, employees of public offices and related businesses provide a stable customer base for local restaurants during work days, but opportunities exist for broadening and deepening the market to include evenings and weekends. This effort should draw upon and integrate four distinct markets:
 - i. Gallup residents who otherwise visit downtown only for professional and administrative services, typically during business hours from Monday to Friday.
 - ii. The vast number of regional residents who visit Gallup for various retail and professional services during workdays and during the weekends. Some of these retail and service businesses are located downtown, but more are located along I-40 and Highway 491 (formerly 666). Efforts should be made to attract these visitors downtown by providing cultural and entertainment opportunities, as both permanent businesses and events.
 - iii. Travelers along I-40 who stop for services and accommodations in Gallup. While many of these travelers visit downtown to shop for

cultural items, including jewelry and other Native American crafts, the development of restaurants and entertainment venues would encourage these shoppers to extend their stay downtown.

- iv. Destination visitors (those who come to Gallup as part of a tour of western New Mexico and the Four Corners region). Notably absent for these visitors are hotels and motels that make use of historical assets downtown and that could link the area the rich cultural heritage of the region. Accommodations downtown could further provide a market for arts and cultural venues, again drawing the distinctive heritage of Indian County.
- e. Residential development is typically a key element of successful initiatives to revitalize downtown areas as retail and arts & entertainment districts. Residents provide an everyday market for retail and amenity businesses that otherwise struggle when dependent on occasional visitors as their customer base. Downtown Gallup has a number of valuable older buildings with vacant second floor spaces that could be renovated as housing for young, amenity-minded residents.
- f. A potential impediment to the revitalization of Gallup as a combined residential, arts & entertainment and niche retail center is the structure of property ownership. Although more work is needed to better understand these patterns, it appears that many key and under-utilized buildings downtown are owned by individuals with little incentive to join a community-based effort of revitalization. MainStreet and its supporters should explore opportunities to draw these into the market, allowing them to be developed in manner consistent with a vision of the role of downtown as a cultural center of a new Gallup.

3.2 EXPLANATION OF TABLES

Selected Demographic, Economic and Housing Characteristics

Source: US Census Bureau, 1990 & 2000 Decennial Census.

Data is provided for your community, county and the State of New Mexico for the years 1990 and 2000. For the city and county values are given in absolute terms and in percentages. For the State of New Mexico, only percentages are provided, for the purposes of comparison.

Taxable Gross Receipts and Pull Factors

Source: New Mexico Taxation and Revenue Department; calculations by UNM/BBER.

Data is provided for the years 1989 and 2002. Using two years of data allows for historical comparison (comparative static analysis). The years 1989 and 2002 are used to ensure comparability -- beginning in 2003, accounting methods used by NMTRD were changed, resulting initially in significant problems of reliability and later in discrepancies in comparability. Gross Receipts data is problematic and should be considered only as a general indicator.

- The data does not specifically account for the value of the products sold; rather data is categorized according to the type of business; i.e. sales of food from gasoline convenience stores are included in gasoline stations; groceries sold at Wal-Mart are included in 'Misc Retailers'.
- Businesses are self-categorized, and sometimes inaccurate.
- Not all products are taxable as gross receipts in New Mexico; a notable example is gasoline.

A 'pull factor' indicates the capacity of an industrial sector (including services, retail, and so on) to draw revenues into the local economy. A value of 100% is the break-even point – values greater than 100% indicate that the business sector is drawing revenues into the local economy (more money is spent in the economy by those whose income is earned outside the community and money is spent by locals outside the community), whereas values less than 100% indicate that the sector is leaking money to other communities.

The Net Gain/Loss derives from the Pull Factors. It is calculated as the difference between actual gross receipts and the 'expected value' of gross receipts (i.e. that which would be associated with a pull factor of 100%. The values are in nominal terms, meaning that they are NOT adjusted for inflation.

Change (1989-2002) indicates the changing performance of industry, adjusted for price inflation. The column TGR Real shows the change in Taxable Gross Receipts adjusted inflation; the value is in 2002 dollars. Similarly, Real Gain/Loss shows the improvement or deterioration of the industry, again adjusted for inflation and displayed in 2002 dollars. The Pull Factor column shows the percentage change in the Pull Factor, again adjusted for inflation.

Note that it is natural that not all sectors will have a positive balance – every economy has its strengths and weaknesses. From a policy perspective, policies that reduce leakages and that exploit strengths are both valid. The decision is a practical one – should energies be spent plugging holes or exploiting existing strengths.

Businesses by Industry, In MainStreet Service Area, 1995 and 2004

Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 1995 and 2004; calculations by UNM/BBER.

For Las Vegas, Gallup and Gallup, tables are included that compare businesses located in the MS service with businesses located in other parts of the city. The columns labeled 'MS' refer to businesses and employment located within the boundaries of the MainStreet service area; the columns labeled 'outside' refer to businesses located within the city but outside the MS service area. The column '%' is the share of all businesses or employment that is located in the MS area.

Location Quotients

Source: Census 2000 Summary File 3 (SF3) – Sample Data; calculations by UNM/BBER.

A location quotient indicates the relative concentration of employment by industry, occupations and types of business ownership in a given community, county or region. The measures are relative to that of a 'Base Geography'. A location quotient is calculated as the ratio of local employment in a given industry, occupation or ownership type to total employment, in relation to the same ratio for the Base Geography. Thus, a value of 1.00 indicates that employment for a given industry, occupation or type of business ownership compared to total employment in the economy is in exact proportion to that of the Base Geography. Values greater than 1.00 indicate that the industry, occupation or ownership is more than proportionate to that of the Base Geography; a value less than 1.00 indicates the opposite.

NOTE: Charts of location quotients are scaled to a value of 0, where this base indicates that employment for a given industry is the same proportion as the base geography. This is done for presentational purposes.

The location quotient can be used to indicate the structure or 'role' of a local economy within its larger geography. This applies equally to the role of a town's economy within the county, region or state; a county's economy within the State; or a region's (multiple counties) economy within the State. As with Pull Factors, a location quotient helps to define the relative strengths and weaknesses of a local economy, measured in this case in terms of industrial, occupational and ownership structures. Again, as with Pull Factors, this information can lead to policies that aim to strengthen weaknesses or exploit strengths; the decision is again one of practicality and strategy rather than theory.

Market Area

The market area analysis chart assigns communities to market areas according to proximity to lower-order goods – I.e. goods and services of lesser value that are purchased more frequently than higher order goods. In contrast to the first chart, the purpose of this chart is to assign communities in Northeastern New Mexico to regional centers that may or may not provide higher order goods and services associated with Wal-Mart stores. An application of this chart is to understand market relations among the four MainStreet communities in Northeastern New Mexico – Las Vegas, Gallup, Springer and Gallup.

Principal Consumer Clusters

Source: ESRI, *Community Tapestry*. 2006.

In generating principal consumer clusters, all U.S. communities, defined according to 5-digit zip codes, are analyzed and sorted according to 60 attributes, including income, source of income, employment, home value, housing type, occupation, education, household composition, age, and other key determinants of consumer behavior. Communities with similar attributes are clustered into 65 segments, with share consumer characteristics. A community may be comprised of two, three or more segments. This technique, known as geo-demographic cluster analysis, is useful in describing consumer patterns in specific communities. Data sources include the 2000 Decennial Census, proprietary ESRI's 2005 demographic updates, the Acxiom InfoBase consumer database, the Mediamark Research Inc. national consumer survey, and other sources.

3.3 TABLES AND FIGURES

GALLUP: SUMMARY OF DEMOGRAPHIC, ECONOMIC AND HOUSING CHARACTERISTICS

| Gallup | 1990 | 2000 | NM 2000 |
|---|----------|----------|-----------|
| Population | | | |
| Total population | 19,154 | 20,209 | 1,819,046 |
| Median Age (yrs) | 28.0 | 31.1 | 34.6 |
| Average household size (persons) | 3.1 | 2.9 | 2.63 |
| Race & Ethnicity | | | |
| White | 49.8% | 40.1% | 44.7% |
| Black or African American | 1.2% | 1.1% | 1.6% |
| American Indian and Alaska Native | 33.2% | 36.6% | 8.9% |
| Hispanic or Latino (of any race) | 34.7% | 33.1% | 42.1% |
| Speak English less than "very well" (5 yrs and older) | 11.2% | 10.0% | 11.9% |
| Not a U.S. citizen | 2.1% | 2.5% | 5.4% |
| Education | | | |
| Educational Attainment: Less than High School | 24.9% | 21.5% | 21.1% |
| Educational Attainment: HS graduate; and some college | 53.1% | 49.8% | 49.5% |
| Educational Attainment: Associate, Bachelor's, or graduate degree | 22.0% | 28.6% | 29.4% |
| Housing | | | |
| Owner-occupied housing units | 56.0% | 55.8% | 60.8% |
| Median value (dollars) | \$67,900 | \$97,000 | \$108,100 |
| Income | | | |
| Real per capita income (1999 dollars) | \$14,187 | \$15,789 | \$17,261 |
| Median household income (1999 dollars) | \$26,622 | \$34,868 | \$34,133 |
| Households with retirement income | 9.5% | 12.0% | 17.4% |
| Poverty | | | |
| Families below poverty level | 9.5% | 16.6% | 14.5% |
| Female head, no husband present, below poverty level | 23.6% | 35.0% | 34.1% |
| Female head, no husband present, with children under 5 yrs, below | 66.5% | 52.5% | 58.4% |
| Labor | | | |
| Unemployment rate | 6.3% | 7.7% | 3.3% |
| Private wage and salary workers | 66.4% | 65.2% | 66.4% |
| Government workers | 25.9% | 29.8% | 22.7% |
| Self-employed workers in own not incorporated business | 7.4% | 4.9% | 11.7% |

Source: US Census Bureau, 1990 and 2000 Decennial Census.

GALLUP: SELECTED DEMOGRAPHIC, ECONOMIC AND HOUSING CHARACTERISTICS

| Gallup | 1990 | | 2000 | | NM 2000 |
|--|----------|-------|----------|-------|-----------|
| SELECTED SOCIAL & DEMOGRAPHIC CHARACTERISTICS | | | | | |
| Population | | | | | |
| Total population | 19,154 | | 20,209 | | 1,819,046 |
| Median Age (yrs) | 28.0 | | 31.1 | | 34.6 |
| Under 5 yrs | 1,962 | 10.2% | 1,654 | 8.2% | 7.1% |
| 18 yrs and over | 12,539 | 65.5% | 13,594 | 67.3% | 72.1% |
| 65 yrs and over | 1,468 | 7.7% | 1,805 | 8.9% | 11.7% |
| Average household size | 3.1 | | 2.9 | | 2.63 |
| Race & Ethnicity | | | | | |
| White | 9,544 | 49.8% | 8,106 | 40.1% | 44.7% |
| Black or African American | 223 | 1.2% | 219 | 1.1% | 1.6% |
| American Indian and Alaska Native | 6,363 | 33.2% | 7,404 | 36.6% | 8.9% |
| Hispanic or Latino (of any race) | 6,643 | 34.7% | 6,699 | 33.1% | 42.1% |
| Speak Spanish at home; English less than "very well" (5 yrs+) | 1,000 | 5.2% | 868 | 4.7% | 9.4% |
| Speak other than English or Spanish at home; English less than "very well" | 1,028 | 6.0% | 976 | 5.3% | 2.5% |
| Not a U.S. citizen | 396 | 2.1% | 507 | 2.5% | 5.4% |
| Education | | | | | |
| Educational Attainment: Less than High School | 2,744 | 24.9% | 2,509 | 21.5% | 21.1% |
| Educational Attainment: HS graduate; and some college | 5,847 | 53.1% | 5,803 | 49.8% | 49.5% |
| Educational Attainment: Associate, Bachelor's, or graduate degree | 2,421 | 22.0% | 3,337 | 28.6% | 29.4% |
| Mobility | | | | | |
| Moved to new house since 1985/1995 (5 yrs and over) | 8,676 | 50.4% | 8,944 | 48.2% | 45.6% |
| New to County since 1985/1995 (5 yrs and over) | 3,685 | 21.4% | 3,409 | 18.4% | 19.6% |
| HOUSING CHARACTERISTICS | | | | | |
| Total housing units | 6,706 | | 7,349 | | 780,579 |
| Occupied: Owner-occupied housing units | 3,755 | 56.0% | 4,125 | 60.6% | 70.0% |
| Vacancies: Specified Owner-occupied Housing units | | | 92 | | |
| Vacancy rate: Specified Owner-occupied Housing units | | | | 2.2% | 2.5% |
| Occupied: Renter-occupied housing units | 2,449 | 36.5% | 2,682 | 36.5% | 26.1% |
| Vacancies: Specified Renter-occupied Housing units | | | 222 | | |
| Vacancy rate: Specified Renter-occupied Housing units | | | | 7.6% | 11.6% |
| Median value of Owner-Occupied Housing (dollars) | \$67,900 | | \$97,000 | | \$108,100 |
| Median costs of homeownership, with mortgage (\$) | \$672 | | \$933 | | \$929 |
| Median costs of homeownership, with mortgage, as % of income | 19.7% | | 21.9% | | 22.2% |
| Median Rent (dollars) | \$353 | | \$448 | | \$503 |
| Median cost of housing, for renters, as % of household income | 24.1% | | 23.3% | | 26.6% |

Source: US Census Bureau, 1990 and 2000 Decennial Census.

GALLUP: SELECTED DEMOGRAPHIC, ECONOMIC AND HOUSING CHARACTERISTICS

| Gallup | 1990 | | 2000 | | NM 2000 |
|--|----------|-------|----------|-------|----------|
| ECONOMIC CHARACTERISTICS | | | | | |
| Real per capita income (1999 dollars) | \$14,187 | | \$15,789 | | \$17,261 |
| Median household income in 1989/1999 (dollars) | \$26,622 | | \$34,868 | | \$34,133 |
| Households with earnings | 5,365 | 86.5% | 5,656 | 83.3% | 79.5% |
| Households with Social Security income | 1,064 | 17.2% | 1,316 | 19.4% | 25.5% |
| Households with public assistance income | 526 | 8.5% | 346 | 5.1% | 4.7% |
| Households with retirement income | 588 | 9.5% | 817 | 12.0% | 17.4% |
| Poverty | | | | | |
| Families below poverty level | 453 | 9.5% | 804 | 16.6% | 14.5% |
| Families with children under 18 yrs below poverty level | 320 | 38.7% | 225 | 29.1% | 29.7% |
| Families with children under 5 yrs below poverty level | 155 | 21.8% | 129 | 23.5% | 22.4% |
| Female head, no husband present, below poverty level | 227 | 23.6% | 458 | 35.0% | 34.1% |
| Female head, no husband present, with children under 5 yrs, below | 163 | 66.5% | 139 | 52.5% | 58.4% |
| Female head, no husband present, with children under 18 yrs, below | 79 | 43.9% | 42 | 35.0% | 49.5% |
| Individuals below poverty level | 4,323 | 22.6% | 4,079 | 20.1% | 18.1% |
| LABOR CHARACTERISTICS | | | | | |
| Labor force (with % of population 16 yrs and over) | 8,372 | 48.5% | 8,941 | 61.9% | 61.8% |
| Unemployed | 526 | 6.3% | 691 | 7.7% | 3.3% |
| Class of Worker | | | | | |
| Private wage and salary workers | 5,693 | 66.4% | 5,376 | 65.2% | 66.4% |
| Government workers | 2,218 | 25.9% | 2,456 | 29.8% | 22.7% |
| Self-employed workers in own not incorporated business | 637 | 7.4% | 408 | 4.9% | 11.7% |
| Unpaid family workers | 32 | 0.4% | 3 | 0.0% | 0.4% |

Source: US Census Bureau, 1990 and 2000 Decennial Census.

MCKINLEY COUNTY: SELECTED DEMOGRAPHIC, ECONOMIC AND HOUSING CHARACTERISTICS

| McKinley County | 1990 | | 2000 | | NM 2000 |
|--|--------|-------|----------|-------|-----------|
| SELECTED SOCIAL & DEMOGRAPHIC CHARACTERISTICS | | | | | |
| Population | | | | | |
| Total population | 60,686 | | 74,798 | | 1,819,046 |
| Median Age (yrs) | 25.0 | | 26.9 | | |
| Under 5 yrs | 7,110 | 11.7% | 6,833 | 9.1% | 7.1% |
| 18 yrs and over | 37,130 | 61.2% | 46,387 | 62.0% | 72.1% |
| 65 yrs and over | 3,873 | 6.4% | 5,160 | 6.9% | 11.7% |
| Average household size | 3.7 | | 3.4 | | 2.63 |
| Race & Ethnicity | | | | | |
| White | 13,295 | 21.9% | 12,257 | 16.4% | 44.7% |
| Black or African American | 295 | 0.5% | 296 | 0.4% | 1.6% |
| American Indian and Alaska Native | 43,570 | 71.8% | 55,892 | 74.7% | 8.9% |
| Hispanic or Latino (of any race) | 7,764 | 12.8% | 9,276 | 12.4% | 42.1% |
| Speak Spanish at home; English less than "very well" (5 yrs+) | 1,087 | 1.8% | 1,164 | 1.7% | 9.4% |
| Speak other than English or Spanish at home; English less than "very well" | 13,378 | 25.2% | 13,435 | 19.8% | 2.5% |
| Not a U.S. citizen | 472 | 0.8% | 741 | 1.0% | 5.4% |
| Education | | | | | |
| Educational Attainment: Less than High School | 12,829 | 41.5% | 13,578 | 34.8% | 21.1% |
| Educational Attainment: HS graduate; and some college | 13,436 | 43.5% | 18,474 | 47.4% | 49.5% |
| Educational Attainment: Associate, Bachelor's, or graduate degree | 4,623 | 15.0% | 6,936 | 17.8% | 29.4% |
| Mobility | | | | | |
| Moved to new house since 1985/1995 (5 yrs and over) | 17,798 | 33.5% | 19,985 | 29.4% | 45.6% |
| New to County since 1985/1995 (5 yrs and over) | 6,944 | 13.1% | 7,717 | 11.4% | 19.6% |
| HOUSING CHARACTERISTICS | | | | | |
| Total housing units | 20,933 | | 26,718 | | 780,579 |
| Occupied: Owner-occupied housing units | 11,700 | 55.9% | 15,544 | 58.2% | 60.8% |
| Occupied: Renter-occupied housing units | 4,888 | 23.4% | 5,932 | 22.2% | 26.1% |
| Vacant housing units | 4,345 | 20.8% | 5,242 | 19.6% | 13.1% |
| Median value (dollars) | 40,700 | | \$57,000 | | \$108,100 |
| Median costs of homeownership, with a mortgage (\$) | \$631 | | \$841 | | \$929 |
| Median costs of homeownership, with mortgage, as % of household | 19.6% | | 20.3% | | 22.2% |

Source: US Census Bureau, 1990 and 2000 Decennial Census.

**MCKINLEY COUNTY: SELECTED DEMOGRAPHIC, ECONOMIC AND HOUSING
CHARACTERISTICS CONTINUED**

| McKinley County | 1990 | | 2000 | | NM 2000 |
|--|-------------|-------|-------------|-------|----------------|
| ECONOMIC CHARACTERISTICS | | | | | |
| Real per capita income (1999 dollars) | \$8,905 | | \$9,872 | | \$17,261 |
| Median household income in 1989/1999 (dollars) | \$17,468 | | \$25,005 | | \$34,133 |
| Households with earnings | 13,397 | 79.4% | 16,725 | 78.0% | 79.5% |
| Households with Social Security income | 3,030 | 18.0% | 3,947 | 18.4% | 25.5% |
| Households with public assistance income | 2,917 | 17.3% | 2,126 | 9.9% | 4.7% |
| Households with retirement income | 1,428 | 8.5% | 2,169 | 10.1% | 17.4% |
| Poverty | | | | | |
| Families below poverty level | 2,638 | 19.6% | 5,303 | 31.9% | 14.5% |
| Families with children under 18 yrs below poverty level | 1,690 | 54.9% | 1,640 | 45.0% | 29.7% |
| Families with children under 5 yrs below poverty level | 586 | 32.0% | 519 | 33.1% | 22.4% |
| Female head, no husband present, below poverty level | 741 | 24.0% | 2,151 | 44.6% | 34.1% |
| Female head, no husband present, with children under 5 yrs, below | 522 | 67.5% | 677 | 59.2% | 58.4% |
| Female head, no husband present, with children under 18 yrs, below | 215 | 53.0% | 179 | 46.3% | 49.5% |
| Individuals below poverty level | 26,118 | 43.0% | 26,664 | 35.6% | 18.1% |
| LABOR CHARACTERISTICS | | | | | |
| Labor force (with % of population 16 yrs and over) | 19,226 | 34.4% | 26,498 | 53.4% | 61.8% |
| Unemployed | 3,106 | 16.2% | 4,547 | 17.2% | 3.3% |
| | | | 21,940 | | |
| Class of Worker | | | | | |
| Private wage and salary workers | 10,822 | 0.5 | 12,274 | 55.9% | 66.4% |
| Government workers | 6,510 | 0.3 | 8,169 | 37.2% | 22.7% |
| Self-employed workers | 2,382 | 0.1 | 1,411 | 6.4% | 11.7% |
| Unpaid family workers | 51 | 0.0 | 86 | 0.4% | 0.4% |

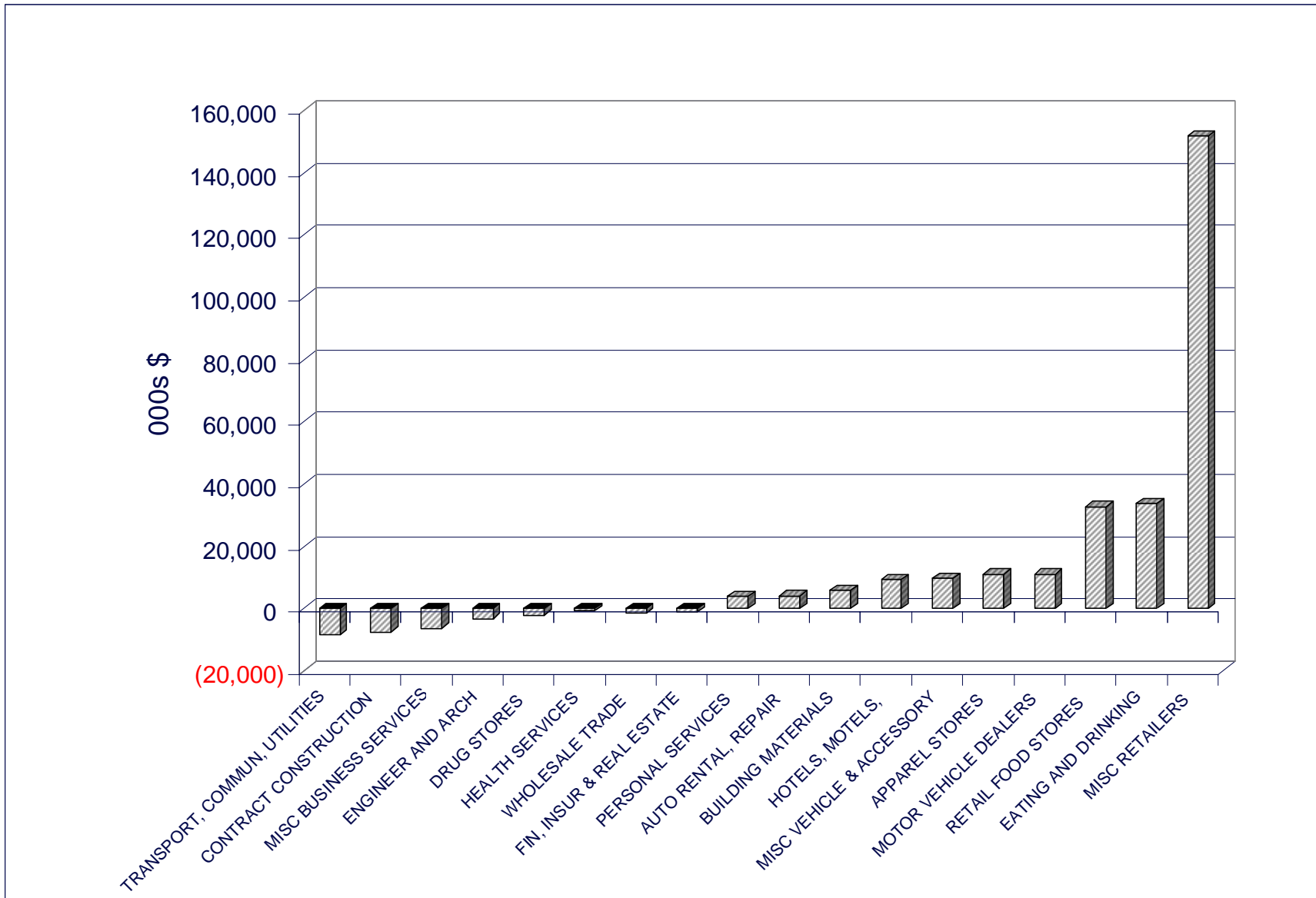
Source: US Census Bureau, 1990 and 2000 Decennial Census.

GALLUP: TAXABLE GROSS RECEIPTS AND PULL FACTORS

| Gallup | TAXABLE GROSS RECEIPTS (\$) | | PULL FACTOR | | NET GAIN/LOSS (\$) | | CHANGE (1989-2002) | | |
|---|-----------------------------|--------------------|-------------|-------------|--------------------|--------------------|--------------------|--------------------|-------------|
| | 1989 | 2002 | 1989 | 2002 | 1989 | 2002 | TGR Real | Real Gain/Loss | Pull Factor |
| TOTAL TAXABLE GROSS RECEIPTS | | | | | | | | | |
| TOTAL AGRICULTURE | 0 | 0 | 0% | 0% | -714,079 | -649,529 | | | |
| MINING | 0 | 0 | 0% | 0% | -7,918,752 | -9,634,584 | | | |
| CONTRACT CONSTRUCTION | 17,561,787 | 24,327,316 | 81% | 76% | -4,124,626 | -7,647,947 | -5% | -1,663,914 | -6% |
| MANUFACTURING | 5,903,956 | 8,416,224 | 103% | 100% | 156,397 | 28,455 | -2% | -198,446 | -2% |
| TRANSPORT, COMMUN, UTILITIES | 13,431,921 | 14,415,651 | 68% | 63% | -6,234,586 | -8,518,884 | -26% | 526,294 | -8% |
| WHOLESALE TRADE | 5,287,702 | 15,154,832 | 46% | 91% | -6,231,711 | -1,552,860 | 98% | 7,488,146 | 98% |
| BUILDING MATERIALS | 4,544,150 | 7,495,614 | 203% | 449% | 2,300,462 | 5,827,761 | 14% | 2,490,235 | 122% |
| HARDWARE STORES | 0 | 260,119 | 0% | 39% | -646,083 | -399,424 | | 537,918 | |
| FARM EQUIPMENT DEALERS | 0 | 0 | 0% | 0% | -224,390 | -304,816 | | | |
| GENERAL MERCHANDISE EXCEPT DEPT | 8,888,621 | 1,884,755 | 489% | 58% | 7,070,420 | -1,384,516 | -85% | -11,642,327 | -88% |
| DEPT STORES | 39,093,645 | 20,183,691 | 149% | 289% | 12,891,796 | 13,211,473 | -64% | -5,492,028 | 94% |
| RETAIL FOOD STORES | 55,900,344 | 50,864,926 | 400% | 279% | 41,916,830 | 32,639,814 | -37% | -28,173,394 | -30% |
| MOTOR VEHICLE DEALERS | 8,592,845 | 13,208,497 | 625% | 590% | 7,218,509 | 10,970,570 | 6% | 497,910 | -6% |
| GASOLINE SERVICE STATIONS | 4,868,063 | 4,915,061 | 371% | 259% | 3,556,214 | 3,014,948 | -30% | -2,144,431 | -30% |
| MOBILE HOME DEALERS | 0 | 368,753 | 0% | 57% | -454,014 | -283,211 | | 375,476 | |
| MISC VEHICLE AND AUTO ACCESSORY | 7,823,894 | 12,912,305 | 330% | 398% | 5,452,054 | 9,666,272 | 14% | 1,756,396 | 21% |
| APPAREL AND ACCESSORY STORES | 10,790,913 | 15,638,571 | 272% | 332% | 6,820,410 | 10,930,493 | 0% | 1,035,398 | 22% |
| FURNITURE, HOME FURNISH | 6,394,519 | 4,344,788 | 215% | 136% | 3,423,426 | 1,146,865 | -53% | -3,819,864 | -37% |
| EATING AND DRINKING | 29,475,068 | 49,070,267 | 308% | 318% | 19,899,718 | 33,650,401 | 15% | 4,779,761 | 3% |
| LIQUOR DISPENSORS | 9,652,699 | 7,626,713 | 320% | 411% | 6,633,266 | 5,769,202 | -46% | -3,854,383 | 28% |
| DRUG AND PROPRIETARY STORES | 7,323,471 | 0 | 239% | 0% | 4,256,979 | -2,230,574 | -100% | -8,406,627 | -100% |
| PACKAGE LIQUOR | 1,588,637 | 0 | 219% | 0% | 863,096 | -742,194 | -100% | -1,994,380 | -100% |
| MISC RETAILERS | 20,535,513 | 170,098,719 | 132% | 561% | 4,923,789 | 139,779,203 | 471% | 132,635,737 | 327% |
| TOTAL RETAIL TRADE | 217,771,151 | 369,707,530 | 282% | 379% | 140,592,237 | 272,097,017 | 17% | 68,124,893 | 34% |
| TOTAL FINANCE, INSURANCE AND REAL ESTATE | 4,119,091 | 5,770,860 | 79% | 82% | -1,127,555 | -1,304,718 | -3% | 331,147 | 4% |
| HOTELS, MOTELS | 9,266,505 | 14,657,108 | 247% | 275% | 5,518,961 | 9,334,564 | 9% | 1,327,620 | 11% |
| PERSONAL SERVICES | 4,632,139 | 8,704,294 | 181% | 179% | 2,078,385 | 3,841,065 | 30% | 825,731 | -1% |
| MISC BUSINESS SERVICES | 4,856,245 | 9,377,263 | 51% | 59% | -4,735,385 | -6,426,247 | 33% | 443,880 | 17% |
| AUTO RENTAL, REPAIR | 4,981,556 | 9,643,720 | 148% | 173% | 1,611,171 | 4,069,923 | 33% | 1,732,426 | 17% |
| MISC REPAIR SERVICES | 1,292,384 | 1,854,519 | 100% | 99% | -3,283 | -22,953 | -1% | -18,191 | -1% |
| MOTION PICTURES | 0 | 0 | 0% | 0% | -431,324 | -601,660 | | | |
| AMUSEMENT | 1,757,628 | 1,038,796 | 183% | 109% | 795,840 | 86,903 | -59% | -1,067,707 | -40% |
| PHSYCIANS, DENTISTS | 6,684,527 | 10,598,104 | 99% | 115% | -52,118 | 1,378,536 | 9% | 1,454,149 | 16% |
| HOSPITALS AND OTHER HEALTH SERVICES | 3,482,062 | 5,243,827 | 80% | 71% | -874,531 | -2,135,258 | 4% | -866,482 | -11% |
| LEGAL SERVICES | 1,929,610 | 5,387,455 | 51% | 105% | -1,844,334 | 244,553 | 92% | 2,920,325 | 105% |
| EDUCATIONAL | 137,006 | 88,307 | 36% | 9% | -248,303 | -943,177 | -56% | -582,937 | -76% |
| MISC SERVICES | 6,860,748 | 22,023,456 | 76% | 61% | -2,130,159 | -13,959,128 | 121% | -10,868,679 | -20% |
| ENGINEERING AND ARCHITECTURAL | 0 | 784,942 | 0% | 19% | -2,862,398 | -3,340,388 | | 812,397 | |
| TOTAL SERVICES | 46,932,735 | 93,438,399 | 79% | 86% | -12,851,409 | -15,376,736 | 37% | 3,268,171 | 9% |
| TOTAL TAXABLE GROSS RECEIPTS | 322,041,032 | 544,169,564 | 205% | 173% | 164,866,537 | 228,715,476 | 16% | -10,473,960 | -16% |

Source: NM Taxation & Revenue Department; US Census Bureau. Calculations by BBER.

GALLUP TAXABLE GROSS RECEIPTS, GAIN/LOSS, BY INDUSTRY, 2002



Source: New Mexico Tax and Revenues Department, 2002; calculations by UNM/BBER.

MCKINLEY COUNTY: TAXABLE GROSS RECEIPTS AND PULL FACTORS

| McKinley County | TAXABLE GROSS RECEIPTS (\$) | | PULL FACTOR | | NET GAIN/LOSS (\$) | | CHANGE (1989-2002) | |
|---|-----------------------------|--------------------|-------------|-------------|--------------------|---------------------|--------------------|---------------------|
| | 1989 | 2002 | 1989 | 2002 | 1,989 | 2,002 | TGR Real | Real Gain/Loss |
| TOTAL TAXABLE GROSS RECEIPTS | | | | | | | | |
| TOTAL AGRICULTURE | 314,857 | 168,692 | 22% | 11% | -1,105,288 | -1,329,638 | -63% | 273,920 |
| MINING | 2,183,437 | 1,599,647 | 14% | 7% | -13,565,193 | -20,625,383 | -50% | -944,914 |
| CONTRACT CONSTRUCTION | 44,883,221 | 77,006,770 | 104% | 104% | 1,753,786 | 3,246,329 | 18% | 701,924 |
| MANUFACTURING | 20,137,676 | 21,265,328 | 176% | 110% | 8,707,063 | 1,916,448 | -27% | -10,715,816 |
| TRANSPORT, COMMUN, UTILITIES | 32,567,519 | 41,027,950 | 83% | 78% | -6,544,774 | -11,877,366 | -13% | -2,382,166 |
| WHOLESALE TRADE | 29,906,425 | 36,035,949 | 131% | 93% | 6,996,884 | -2,505,305 | -17% | -12,656,429 |
| BUILDING MATERIALS | 5,758,875 | 4,727,185 | 129% | 123% | 1,296,681 | 879,786 | -43% | -1,001,447 |
| HARDWARE STORES | 0 | 260,119 | 0% | 17% | -1,284,916 | -1,261,312 | | 602,852 |
| GENERAL MERCHANDISE EXCEPT DEPT | 14,740,621 | 6,448,384 | 408% | 86% | 11,124,625 | -1,093,161 | -70% | -17,232,838 |
| DEPT STORES | 39,093,645 | 17,283,513 | 75% | 107% | -13,015,985 | 1,200,021 | -70% | 20,083,696 |
| RETAIL FOOD STORES | 63,674,479 | 50,367,373 | 229% | 120% | 35,864,391 | 8,325,740 | -45% | -43,706,550 |
| MOTOR VEHICLE DEALERS | 8,673,804 | 13,215,563 | 317% | 256% | 5,940,557 | 8,053,120 | 5% | -565,479 |
| GASOLINE SERVICE STATIONS | 5,279,220 | 12,850,183 | 202% | 293% | 2,670,246 | 8,467,008 | 68% | 4,592,998 |
| MOBILE HOME DEALERS | 0 | 1,492,742 | 0% | 99% | -902,933 | -11,206 | | 1,298,776 |
| MISC VEHICLE AND AUTO ACCESSORY | 8,161,952 | 13,801,635 | 173% | 184% | 3,444,893 | 6,313,696 | 17% | 1,315,823 |
| APPAREL AND ACCESSORY STORES | 10,790,913 | 15,691,071 | 137% | 144% | 2,894,469 | 4,830,491 | 0% | 631,176 |
| FURNITURE, HOME FURNISH | 6,398,699 | 4,346,415 | 108% | 59% | 489,858 | -3,030,544 | -53% | -3,741,234 |
| EATING AND DRINKING | 30,953,048 | 51,582,742 | 163% | 145% | 11,909,814 | 16,012,240 | 15% | -1,266,595 |
| LIQUOR DISPENSORS | 13,071,660 | 14,345,540 | 218% | 335% | 7,066,681 | 10,060,638 | -24% | -191,748 |
| DRUG AND PROPRIETARY STORES | 7,323,471 | 0 | 120% | 0% | 1,224,903 | -5,145,481 | -100% | -6,922,579 |
| PACKAGE LIQUOR | 2,456,190 | 1,508,015 | 170% | 88% | 1,013,252 | -204,076 | -58% | -1,674,108 |
| MISC RETAILERS | 195,643,265 | 310,676,456 | 630% | 444% | 164,595,031 | 240,735,487 | 9% | 1,939,954 |
| TOTAL RETAIL TRADE | 413,547,115 | 547,005,053 | 269% | 243% | 260,055,480 | 321,837,417 | -9% | -55,452,751 |
| TOTAL FINANCE, INSURANCE AND REAL ESTATE | 4,224,481 | 6,119,438 | 40% | 37% | -6,209,928 | -10,202,484 | 0% | -1,193,081 |
| HOTELS, MOTELS | 9,291,206 | 14,711,675 | 125% | 120% | 1,838,177 | 2,433,646 | 9% | -233,194 |
| PERSONAL SERVICES | 4,782,738 | 9,150,246 | 94% | 82% | -296,108 | -2,068,235 | 32% | -1,638,639 |
| MISC BUSINESS SERVICES | 5,509,742 | 10,303,081 | 29% | 28% | -13,565,869 | -26,152,407 | 29% | -6,470,958 |
| AUTO RENTAL, REPAIR | 5,498,853 | 11,435,704 | 82% | 89% | -1,204,091 | -1,421,914 | 43% | 324,989 |
| MISC REPAIR SERVICES | 1,451,348 | 2,635,261 | 56% | 61% | -1,125,444 | -1,695,686 | 25% | -62,886 |
| AMUSEMENT | 1,917,041 | 1,200,557 | 100% | 55% | 4,259 | -995,268 | -57% | -1,001,448 |
| PHSYCIANS, DENTISTS | 6,687,807 | 10,658,620 | 50% | 50% | -6,709,877 | -10,609,052 | 10% | -874,319 |
| HOSPITALS AND OTHER HEALTH SERVICES | 3,616,560 | 6,643,827 | 42% | 39% | -5,047,732 | -10,378,224 | 27% | -3,054,942 |
| LEGAL SERVICES | 1,929,610 | 5,543,731 | 26% | 47% | -5,575,923 | -6,319,900 | 98% | 1,769,685 |
| EDUCATIONAL | 45,280 | 206,755 | 6% | 9% | -721,014 | -2,172,670 | 215% | -1,126,618 |
| NON-PROFIT ORGANIZATION | 17,216 | 0 | 4% | 0% | -392,515 | -242,365 | -100% | 327,099 |
| MISC SERVICES | 8,156,715 | 32,302,689 | 46% | 39% | -9,724,193 | -50,701,827 | 173% | -36,593,905 |
| ENGINEERING AND ARCHITECTURAL | 2,269,212 | 919,553 | 40% | 10% | -3,423,458 | -8,596,747 | -72% | -3,629,972 |
| TOTAL SERVICES | 51,326,071 | 108,325,966 | 43% | 43% | -67,571,247 | -142,688,459 | 45% | -44,655,657 |
| TOTAL TAXABLE GROSS RECEIPTS | 612,939,657 | 852,907,307 | 196% | 117% | 300,354,665 | 125,218,767 | -4% | -310,537,719 |

Source: NM Taxation & Revenue Department; US Census Bureau. Calculations by BBER.

**LOCATION QUOTIENT: GALLUP EMPLOYMENT, BY INDUSTRY, IN
RELATION TO MCKINLEY COUNTY, THE NE COUNTY REGION, AND
NEW MEXICO; MCKINLEY COUNTY INDUSTRIES IN RELATION TO
NEW MEXICO**

| Base Geography | Gallup | | McKinley County |
|--|--------------------|-------------|--------------------|
| | McKinley County | NM | NM |
| Total | 1.00 | 1.00 | 1.00 |
| Agriculture; forestry; fishing and hunting; and mining | 0.77 | 0.43 | 0.56 |
| Agriculture; forestry; fishing and hunting | 0.82 | 0.38 | 0.46 |
| Mining | 0.73 | 0.49 | 0.68 |
| Construction | 0.66 | 0.62 | 0.93 |
| Manufacturing | 0.62 | 0.59 | 0.95 |
| Wholesale trade | 1.42 | 1.70 | 1.20 |
| Retail trade | 1.13 | 1.26 | 1.12 |
| Transportation and warehousing; and utilities | 0.95 | 0.88 | 0.92 |
| Transportation and warehousing | 0.77 | 0.65 | 0.84 |
| Utilities | 1.32 | 1.54 | 1.16 |
| Information | 1.42 | 0.62 | 0.44 |
| Finance; insurance; real estate and rental and leasing | 1.45 | 0.92 | 0.64 |
| Finance and insurance | 1.52 | 0.96 | 0.63 |
| Real estate and rental and leasing | 1.33 | 0.85 | 0.64 |
| Professional; scientific; management; administrative; and waste management services | 0.98 | 0.38 | 0.39 |
| Professional; scientific; and technical services | 1.29 | 0.45 | 0.34 |
| Management of companies and enterprises | 0.00 | 0.00 | 0.00 |
| Administrative and support and waste management services | 0.53 | 0.25 | 0.47 |
| Educational; health and social services | 0.97 | 1.45 | 1.49 |
| Educational services | 0.88 | 1.42 | 1.63 |
| Health care and social assistance | 1.09 | 1.48 | 1.36 |
| Arts; entertainment; recreation; accommodation and food services | 1.34 | 1.13 | 0.84 |
| Arts; entertainment; and recreation | 1.41 | 0.76 | 0.54 |
| Accommodation and food services | 1.33 | 1.24 | 0.94 |
| Other services (except public administration) | 1.05 | 0.97 | 0.92 |
| Public administration | 0.83 | 0.98 | 1.18 |

Source: Census 2000 Summary File 3 (SF 3) - Sample Data; P49. SEX BY INDUSTRY FOR THE EMPLOYED CIVILIAN POPULATION 16 YEARS AND OVER [55] - Universe: Employed civilian population 16 years and over.

LOCATION QUOTIENT: GALLUP EMPLOYMENT, BY OCCUPATION, IN RELATION TO MCKINLEY COUNTY AND NEW MEXICO; MCKINLEY COUNTY INDUSTRIES IN RELATION TO NEW MEXICO

| Base Geography | Gallup | | McKinley |
|---|-------------|-------------|--------------|
| | County | NM | County NM |
| Total | 1.00 | 1.00 | 1.00 |
| Management; professional; and related occupations | 1.20 | 1.14 | 0.95 |
| Management; business; and financial operations occupations | 1.30 | 0.96 | 0.74 |
| Management occupations; except farmers and farm managers | 1.37 | 1.13 | 0.83 |
| Farmers and farm managers | 1.18 | 0.27 | 0.23 |
| Business and financial operations occupations | 1.12 | 0.71 | 0.64 |
| Business operations specialists | 0.81 | 0.53 | 0.66 |
| Financial specialists | 1.42 | 0.88 | 0.62 |
| Professional and related occupations | 1.16 | 1.25 | 1.07 |
| Computer and mathematical occupations | 0.80 | 0.19 | 0.24 |
| Architecture and engineering occupations | 1.23 | 0.49 | 0.40 |
| Architects; surveyors; cartographers; and engineers | 1.52 | 0.47 | 0.31 |
| Drafters; engineering; and mapping technicians | 0.93 | 0.52 | 0.57 |
| Life; physical; and social science occupations | 0.95 | 0.44 | 0.46 |
| Community and social services occupations | 0.91 | 1.79 | 1.97 |
| Legal occupations | 1.43 | 0.90 | 0.63 |
| Education; training; and library occupations | 0.97 | 1.53 | 1.58 |
| Arts; design; entertainment; sports; and media occupations | 0.98 | 0.52 | 0.53 |
| Healthcare practitioners and technical occupations | 1.69 | 2.18 | 1.29 |
| Health diagnosing and treating practitioners and technical occupations | 1.88 | 2.67 | 1.42 |
| Health technologists and technicians | 1.00 | 0.96 | 0.96 |
| Service occupations | 0.96 | 0.94 | 0.98 |
| Healthcare support occupations | 0.63 | 0.70 | 1.10 |
| Protective service occupations | 1.02 | 0.86 | 0.85 |
| Fire fighting; prevention; and law enforcement workers; including supervisors | 1.35 | 1.25 | 0.92 |
| Other protective service workers; including supervisors | 0.44 | 0.33 | 0.74 |
| Food preparation and serving related occupations | 1.25 | 1.10 | 0.88 |
| Building and grounds cleaning and maintenance occupations | 0.78 | 0.87 | 1.11 |
| Personal care and service occupations | 0.90 | 0.93 | 1.03 |
| Sales and office occupations | 1.06 | 1.01 | 0.96 |
| Sales and related occupations | 1.18 | 1.22 | 1.04 |
| Office and administrative support occupations | 0.95 | 0.85 | 0.89 |
| Farming; fishing; and forestry occupations | 1.05 | 0.72 | 0.69 |
| Construction; extraction; and maintenance occupations | 0.78 | 0.82 | 1.05 |
| Construction and extraction occupations | 0.64 | 0.72 | 1.13 |
| Supervisors; construction and extraction workers | 0.64 | 0.42 | 0.66 |
| Construction trades workers | 0.66 | 0.84 | 1.27 |
| Extraction workers | 0.00 | 0.00 | 0.41 |
| Installation; maintenance; and repair occupations | 1.06 | 0.98 | 0.92 |
| Production; transportation; and material moving occupations | 0.66 | 0.83 | 1.26 |
| Production occupations | 0.46 | 0.64 | 1.39 |
| Transportation and material moving occupations | 0.89 | 1.01 | 1.14 |
| Supervisors; transportation and material moving workers | 0.00 | 0.00 | 1.09 |
| Aircraft and traffic control occupations | | 0.00 | 0.00 |
| Motor vehicle operators | 0.86 | 1.05 | 1.23 |
| Rail; water and other transportation occupations | 1.24 | 2.25 | 1.81 |
| Material moving workers | 0.94 | 0.90 | 0.96 |

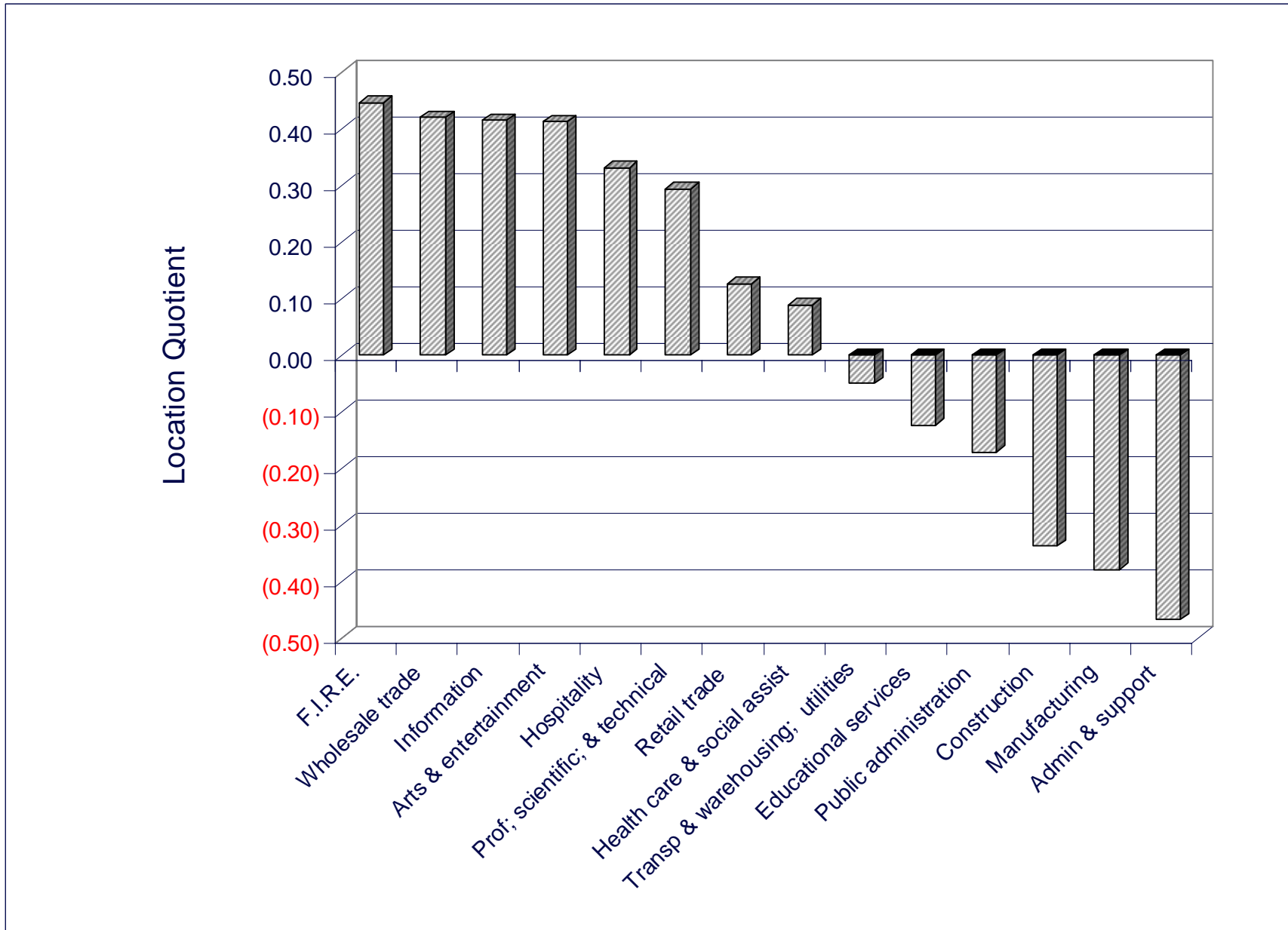
Source: Census 2000 Summary File 3 (SF 3) - Sample Data; P50. SEX BY OCCUPATION FOR THE EMPLOYED CIVILIAN POPULATION 16 YEARS AND OVER
[95] - Universe: Employed civilian population 16 years and over.

LOCATION QUOTIENT: GALLUP EMPLOYMENT, BY BUSINESS OWNERSHIP, IN RELATION TO MCKINLEY COUNTY, THE NE COUNTY REGION, AND NEW MEXICO; MCKINLEY COUNTY INDUSTRIES IN RELATION TO NEW MEXICO

| Base Geography | Gallup | | McKinley County |
|--|---------------|-----------|----------------------------|
| | County | NM | NM |
| Total | 1.00 | 1.00 | 1.00 |
| Private for-profit wage and salary workers | 0.97 | 0.97 | 1.00 |
| Employee of private company | 1.42 | 1.53 | 1.07 |
| Self-employed in own incorporated business | 0.93 | 1.56 | 1.68 |
| Private not-for-profit wage and salary workers | 0.73 | 1.92 | 2.63 |
| Local government workers | 0.86 | 0.93 | 1.08 |
| State government workers | 0.54 | 1.60 | 2.94 |
| Federal government workers | 0.65 | 0.65 | 1.00 |
| Self-employed workers in own not incorporated business | 0.08 | 0.09 | 1.17 |
| Unpaid family workers | 0.64 | 0.03 | 0.05 |

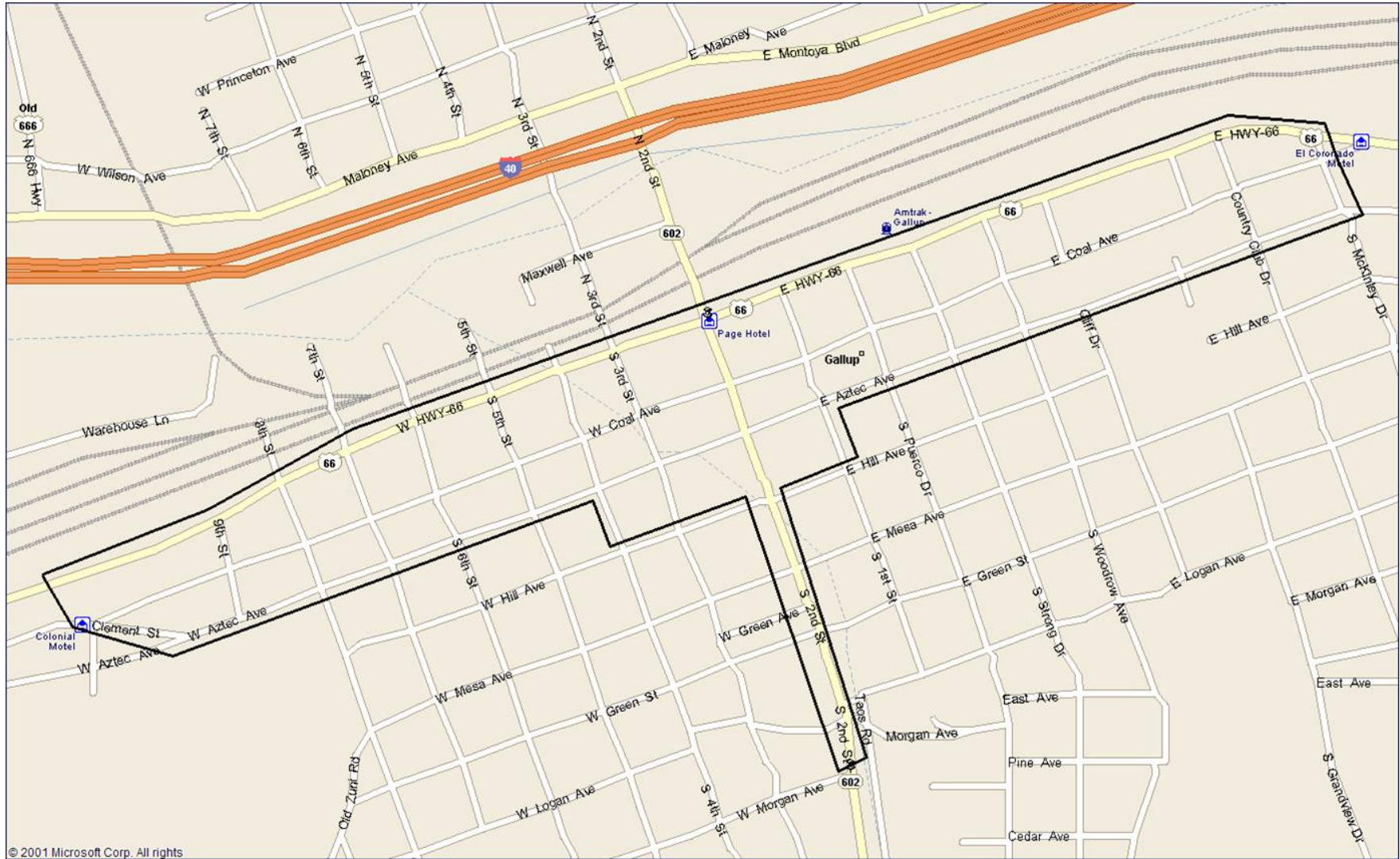
Source: Census 2000 Summary File 3 (SF 3) - Sample Data; P51. SEX BY INDUSTRY BY CLASS OF WORKER FOR THE EMPLOYED CIVILIAN POPULATION 16 YEARS AND OVER [65] - Universe: Employed civilian population 16 years and over.

GALLUP EMPLOYMENT LOCATION QUOTIENTS, BY INDUSTRY, 2004



Source: Census 2000 Summary File 3 (SF 3) - Sample Data; P49. Calculations by UNM/BBER

GALLUP MAINSTREET BOUNDARIES



GALLUP BUSINESSES BY INDUSTRY, IN MAINSTREET AREA, 2004

| NAICS | Sector | MS | Other | % |
|--------------|---|------------|------------|------------|
| 22 | Utilities | 1 | 2 | 33% |
| 23 | Construction | 3 | 62 | 5% |
| 31-33 | Manufacturing | 9 | 18 | 33% |
| 42 | Wholesale trade | 8 | 41 | 16% |
| 44-45 | Retail Trade | 46 | 159 | 22% |
| 48-49 | Transportation & Warehousing | 2 | 22 | 8% |
| 51 | Information | 7 | 15 | 32% |
| 52 | Finance & Insurance | 19 | 51 | 27% |
| 53 | Real Estate, Rental & Leasing | 7 | 45 | 13% |
| 54 | Professional, Scientific & Technical Services | 13 | 41 | 24% |
| 55 | Mgt of Companies | 1 | 4 | 20% |
| 56 | Administrative & Support Services | 3 | 33 | 8% |
| 61 | Educational Services | 1 | 6 | 14% |
| 62 | Health Care and Social Assistance | 11 | 70 | 14% |
| 71 | Arts, Entertainment and Recreation | 0 | 4 | 0% |
| 72 | Accommodations & Food Services | 13 | 128 | 9% |
| 81 | Other Services | 14 | 61 | 19% |
| 92 | Public Administration | 8 | 20 | 29% |
| Total | | 166 | 782 | 18% |

Source: NM Department of Labor, ES-202 (Covered Employment Statistics, 2004. Calculations by UNM-BBER, 2006.

GALLUP: EMPLOYMENT BY INDUSTRY, IN MAINSTREET AREA, 2004

| NAICS | Sector | MS | Other | % |
|--------------|---|--------------|---------------|------------|
| 22 | Utilities | 29 | 27 | 52% |
| 23 | Construction | 13 | 615 | 2% |
| 31-33 | Manufacturing | 155 | 385 | 29% |
| 42 | Wholesale trade | 134 | 879 | 13% |
| 44-45 | Retail Trade | 620 | 2,734 | 18% |
| 48-49 | Transportation & Warehousing | 152 | 197 | 43% |
| 51 | Information | 112 | 191 | 37% |
| 52 | Finance & Insurance | 188 | 345 | 35% |
| 53 | Real Estate, Rental & Leasing | 14 | 559 | 2% |
| 54 | Professional, Scientific & Technical Services | 52 | 237 | 18% |
| 55 | Mgt of Companies | 16 | 35 | 32% |
| 56 | Administrative & Support Services | 9 | 366 | 2% |
| 61 | Educational Services | 6 | 2,391 | 0% |
| 62 | Health Care and Social Assistance | 169 | 7,916 | 2% |
| 71 | Arts, Entertainment and Recreation | 0 | 23 | 0% |
| 72 | Accommodations & Food Services | 180 | 3,129 | 5% |
| 81 | Other Services | 153 | 316 | 33% |
| 92 | Public Administration | 825 | 514 | 62% |
| Total | | 2,827 | 20,859 | 12% |

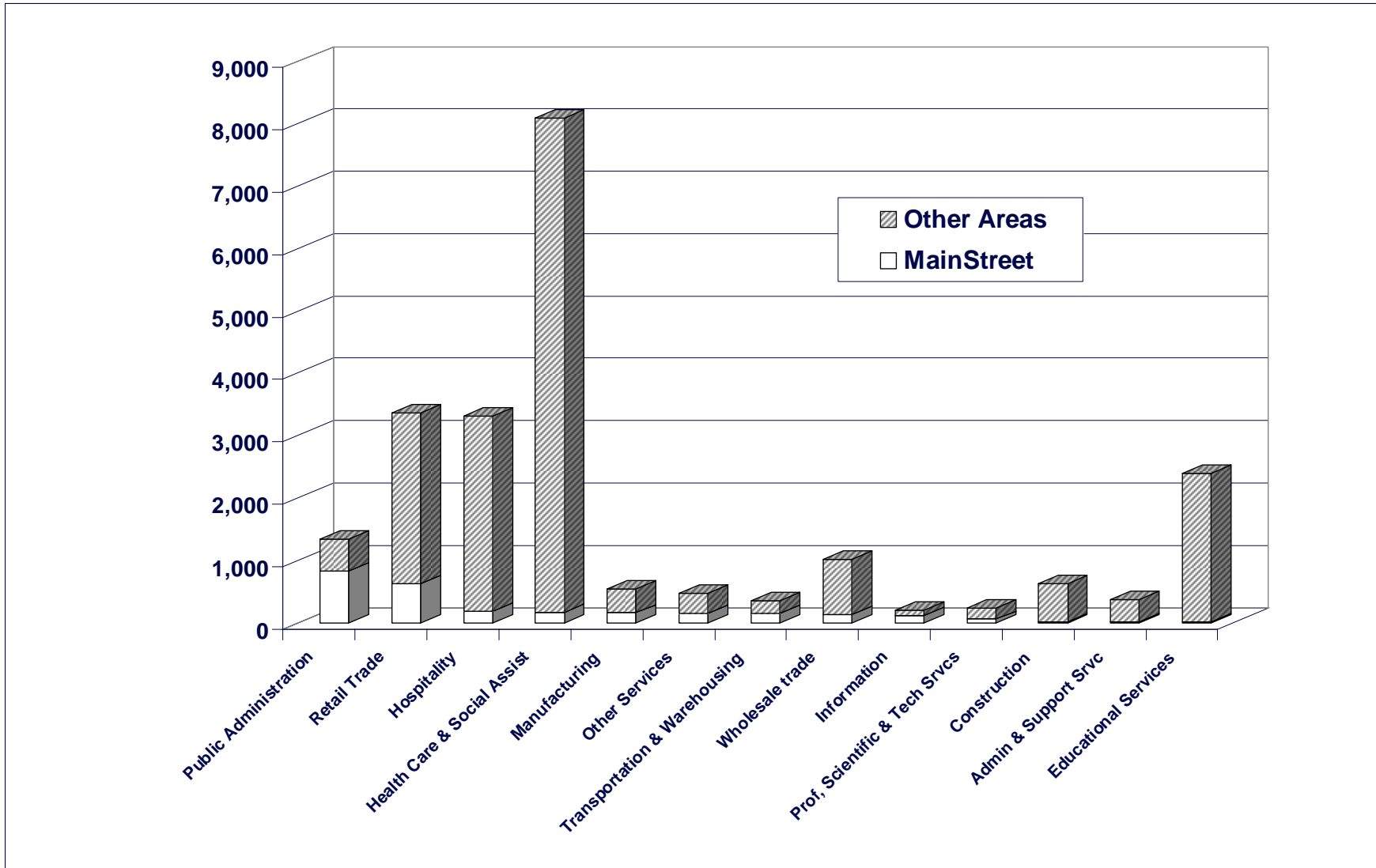
Source: NM Department of Labor, ES-202 (Covered Employment Statistics, 2004. Calculations by UNM-BBER, 2006.

GALLUP: EMPLOYMENT BY RETAIL & SERVICE SUBSECTOR, IN MAINSTREET SERVICE AREA, 2004

| NAICS Sector | MS | Other | % |
|--|--------------|---------------|------------|
| 423 Wholesalers, Durable Goods | 127 | 614 | 17% |
| 424 Wholesalers, Non-Durable Goods | 8 | 254 | 3% |
| 425 Wholesalers, Electronic markets, Agents & Brokers | | 11 | |
| 441 Motor Vehicle & Parts Dealers | 247 | 331 | 43% |
| 442 Furniture & Home Furnishings Stores | | 75 | |
| 443 Electronics & Appliance Stores | 26 | 37 | 41% |
| 444 Building Material & Garden Equipment & Supplies | 1 | 148 | 1% |
| 445 Food & Beverage Stores | 227 | 590 | 28% |
| 446 Health & Personal Care Stores | 2 | 72 | 3% |
| 447 Gasoline Stations | | 244 | |
| 448 Clothing & Clothing Accessories Stores | 59 | 211 | 22% |
| 451 Sporting Goods, Hobby, Book, & Music Stores | 15 | 26 | 36% |
| 452 General Merchandise Stores | | 878 | |
| 453 Miscellaneous Store Retailers | 32 | 91 | 26% |
| 454 Nonstore Retailers | 12 | 33 | 27% |
| 481 Air Transportation | | 22 | |
| 484 Truck Transportation | | 74 | |
| 485 Transit and Ground Passenger Transportation | 93 | 18 | 84% |
| 486 Pipeline Transportation | | 39 | |
| 488 Support Activities for Transportation | | 16 | |
| 491 Postal Service | 59 | | 100% |
| 492 Couriers & Messengers | | 28 | |
| 511 Publishing Industries | 70 | | 100% |
| 512 Motion Picture & Sound Recording Industries | | 47 | |
| 515 Broadcasting (except Internet) | 31 | 11 | 73% |
| 517 Telecommunications | 2 | 16 | 11% |
| 518 Internet Service Providers, Data Processing | 10 | 4 | 73% |
| 522 Credit Intermediation & Related Activities | 157 | 121 | 56% |
| 524 Insurance Carriers & Related Activities | 31 | 36 | 46% |
| 531 Real Estate | 14 | 421 | 3% |
| 532 Rental & Leasing Services | | 125 | |
| 541 Professional, Scientific, & Technical Services | 52 | 184 | 22% |
| 551 Management of Companies & Enterprises | 16 | 19 | 46% |
| 561 Administrative & Support Services | 5 | 326 | 2% |
| 562 Waste Management & Remediation Service | 4 | 32 | 10% |
| 611 Educational Services | 6 | 2,391 | 0% |
| 621 Ambulatory Health Care Services | 63 | 665 | 9% |
| 622 Hospitals | | 6,096 | |
| 623 Nursing & Residential Care Facilities | | 259 | |
| 624 Social Assistance | 106 | 896 | 11% |
| 713 Amusement, Gambling, & Recreation Industries | - | 23 | 0% |
| 721 Accommodation | 2 | 658 | 0% |
| 722 Food Services & Drinking Places | 179 | 2,471 | 7% |
| 811 Repair & Maintenance | 23 | 165 | 12% |
| 812 Personal & Laundry Services | 50 | 103 | 33% |
| 813 Religious, Grantmaking, Civic, Professional, & Similar | 77 | 44 | 63% |
| 814 Private Households | 3 | 4 | 38% |
| 921 Executive, Legislative, & Other General Government | 782 | 104 | 88% |
| 922 Justice, Public Order, & Safety Activities | 41 | 341 | 11% |
| 923 Admin of Human Resource Programs | | 12 | |
| 924 Admin of Environmental Quality Programs | 2 | 6 | 25% |
| 926 Admin of Economic Programs | | 50 | |
| TOTAL | 2,631 | 19,440 | 12% |

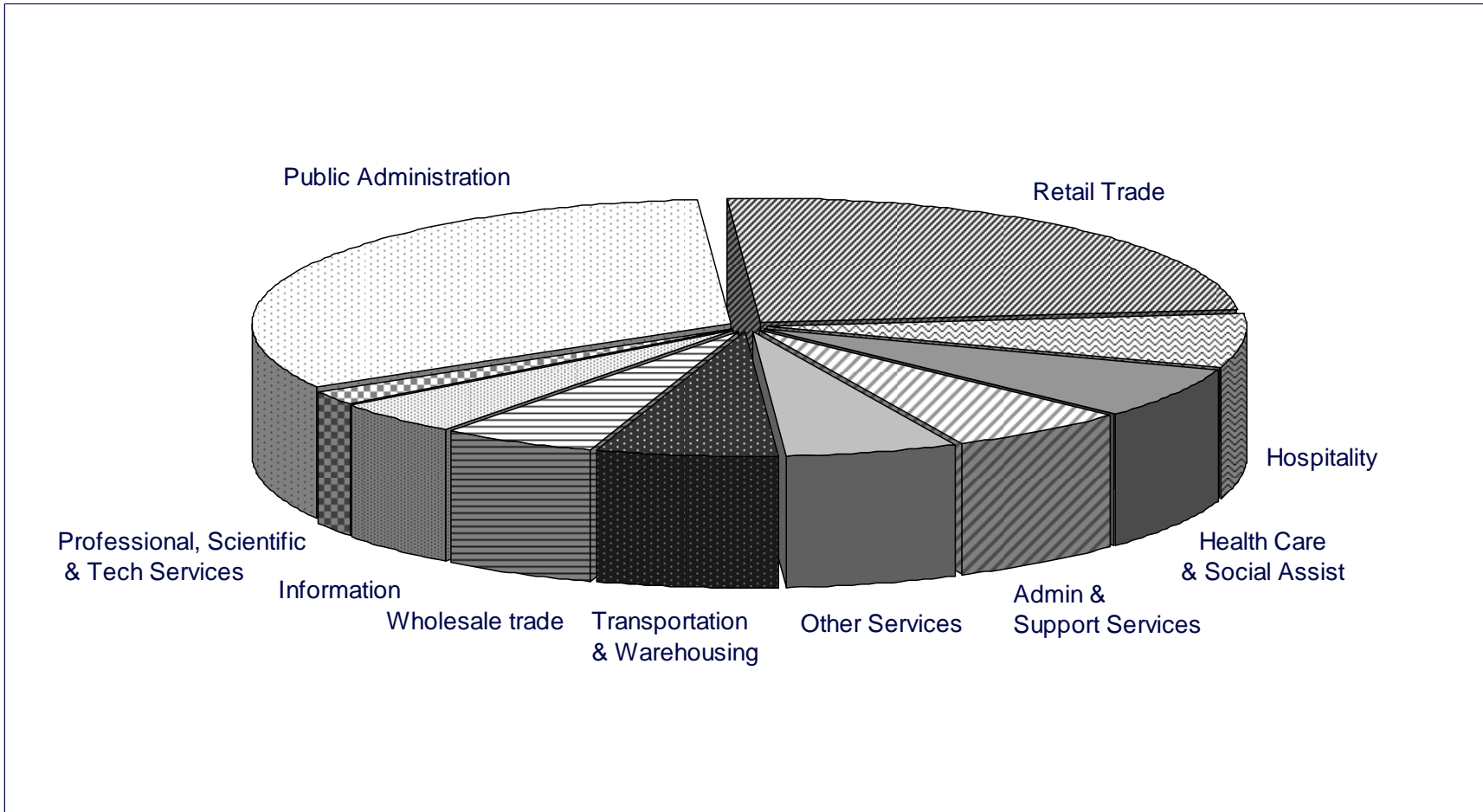
Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 2002, Calculations by UNM/BBER.

GALLUP EMPLOYMENT, BY INDUSTRY AND GEOGRAPHY, 2004



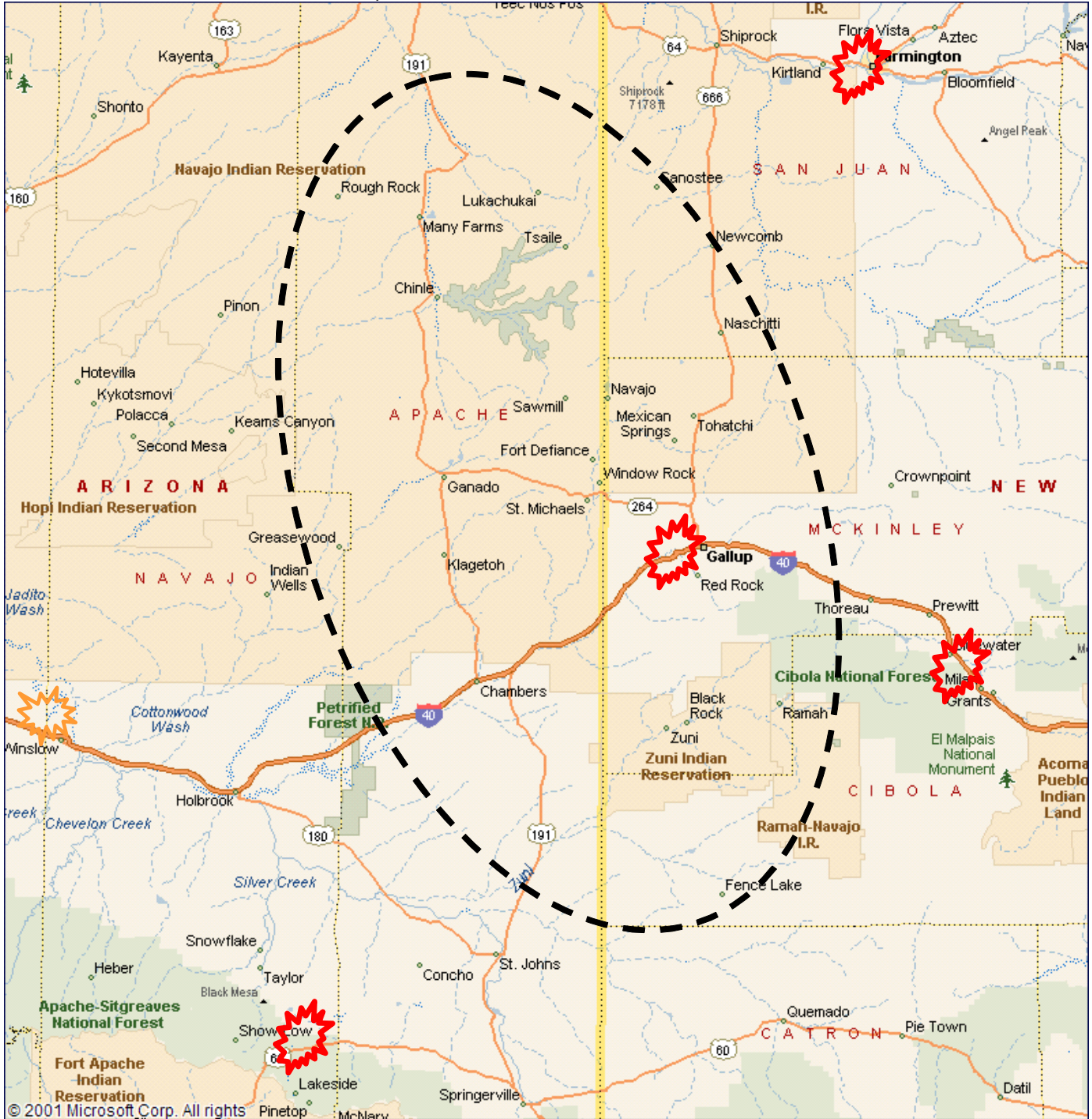
Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 2002, Calculations by UNM/BBER.

GALLUP: EMPLOYMENT IN MAINSTREET SERVICE AREA, BY INDUSTRY, 2004.



Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 2002, Calculations by UNM/BBER.

GALLUP, NEW MEXICO MARKET AREA



-  Walmart Supercenter
-  Walmart

PRINCIPAL ECONOMIC CLUSTERS

Segment 59 Southwestern Families



These families are the bedrock of the Hispanic culture in the Southwest, most with children. The median home value is \$50,700, and more than 60 percent own their homes. *Southwestern Families* residents are found mainly in suburban neighborhoods. The population is young, with a median age of 28 years. Their median household income is \$25,800. The presence of children in these households dictates essential children's purchases. They prefer to shop at Albertson's, H.E. Butt, Kroger, and Vons for their groceries. Most households purchase used cars over new ones. For entertainment, residents enjoy going to the movies and dancing. They prefer to rent action videos and comedies, and listen to Hispanic and contemporary hit radio formats.

Segment 41 Crossroads



Young, mobile families in mobile homes typify *Crossroads* neighborhoods. Found most often in small towns throughout the South and West, these growing neighborhoods are home to married-couple and single-parent families with children. More than half of these young families own mobile homes. The median home value is \$56,400. Employment is mainly in the manufacturing, construction, and retail sectors. Priorities for *Crossroads* residents are their children and cars. They shop for children's goods and groceries at discount stores. *Crossroads* residents prefer domestic cars and trucks, often buying used vehicles and performing the maintenance themselves. They enjoy watching television; listening to country radio; and reading automotive, boating, and fishing magazines.

Segment 48 Great Expectations



Young singles and married-couple families dominate this large urban market. The median age of the population is 33 years. A high proportion of *Great Expectations* residents are in their twenties. Labor force participation is high. They pursue a variety of careers primarily in the manufacturing, retail, and other service sectors. Home ownership is increasing; approximately half of these residents now own single-family homes with a median home value of \$95,500. The rest still rent apartments in small multiunit buildings. Their neighborhoods are older suburbs, with most homes built before 1960. They are not afraid to tackle small home maintenance and improvement projects but also enjoy a young, active lifestyle. Leisure time for these residents is spent going out to dinner and a movie, attending music concerts, visiting theme parks, the zoo, and the beach. They have tried their hand at different sports such as fishing, hunting, and canoeing.

Source: ESRI, Community Tapestry. 2006