

III. Constraints

A. One of several constraints is the land ownership pattern of the County, which is outlined as 59% Indian (Navajo Reservation), 29.2% Federal (BLM), 5.3% State (New Mexico), 0.2% Inland Water, and 5.4% private land. The County is composed of approximately 5,516 square miles.

* B. The "people" impact on the San Juan Area is resulting, and will continue to result, in an accelerated demand for services. These services are costly and long-range ones that must be provided primarily by local governments, school districts, health and social service agencies and other special districts. The burden facing these agencies is awesome indeed, even with federal funding assistance and virtually insurmountable without it.

C. The City of Farmington is utilizing the property tax for capital improvements through the use of general obligation bond issues. In a period of "boom" or high growth, property values skyrocket, increasing the tax base. This may appear then to be a self-supporting situation, however, this is not the case. This is because there is at least a year's lag time in the property tax system and a limitation of bonding capacity. By the time the "boom" is underway, the inflation in local construction costs and land prices tends to offset the increase in property tax values and hold down local financing capability even more. It is difficult to get the old property taxpayers to assume a new bond obligation for the benefit of a wave of newcomers and builders from the outside. Most of the energy related industry will be developed outside of the City of Farmington and this tax base will not contribute to meeting the needs of Farmington.

* Source: Southwest Federal Regional Council Meeting at Farmington, N. M., October 16th and 17th, 1974 (prepared by the San Juan Council of Governments).