

Southern Colorado Economic Development District



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2017
Comprehensive Economic
Development Strategy
(Board Draft 1-27-17)

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1: Overview

Southern Colorado Economic Development District (SCEDD) is partially funded by a Planning Grant provided by the Economic Development Administration (EDA). As a requirement of the grant, the planning organization must submit a five-year Comprehensive Economic Development Strategy (CEDS). SCEDD is pleased to submit the 2017 CEDS to satisfy that requirement. The 2017 CEDS will provide a road map for coordinating economic activities, monitoring and evaluating economic goals and encouraging growth in the thirteen-county district. The overall goal is to diversify the regional economy, stabilize population in communities suffering out-migration and create a foundation for future growth and prosperity across the region.

SCEDD solicited public input by conducting town hall meetings in each of the counties in the District within all but one of the counties, Lake, which, using state and local resources, hired a third-party consulting firm to complete an economic development strategy. Through this process, Lake County had multiple one-on-one meetings, group meetings, and a final public presentation and input session. For the other counties, a total of 27 meetings were held. SCEDD utilized PowerPoint presentations and an audience response system to encourage participation both verbally and anonymously. This process resulted in a Strengths, Weaknesses, Threats, and Opportunities (SWOT) analysis.

The Strategy Committee is comprised of public officials, business and economic development leaders. The committee worked with public officials, local leaders, economic developers, business owners, and planners to update the goals, comment on county assets and resources, and update community programs.

The intended purpose of the CEDS is to present a cooperative effort of the District to maintain a structured approach toward economic goals and act as a reliable source of information for private and governmental funding. The CEDS will provide a comprehensive plan for each county to implement goals and evaluate progress over the next five years. A successful CEDS will lead to the formulation and implementation of programs that create a higher-skilled workforce, higher-wage jobs, diversify the economy, and improve the quality of life, while protecting the environment. In addition, SCEDD will monitor the progress and provide an annual update of the plan to EDA.

2. Southern Colorado Economic Development District (SCEDD)

Southern Colorado Economic Development District (SCEDD) is a non-profit organization, established in 1968. SCEDD's mission is to stabilize and diversify the regional economy. Since 1980 SCEDD's service area consists of 13 counties.

These counties are broken into four sub-regions as follows:

Upper Arkansas: Chaffee, Custer, Fremont and Lake

Southeast: Baca, Bent, Crowley, Kiowa, Otero and Prowers

South Central: Huerfano and Las Animas

Pueblo: Pueblo

This document will present an analysis of the District by sub-regions. Each sub-region contributes its own unique attributes to the District. For this reason, when discussing the regional makeup of the District, data and demographics will be presented by the sub-region. Just as each region is unique, so are the counties. Individual county attributes, demographics and goals will be presented later in the CEDS document.

The District is funded by an EDA Planning Grant, county membership dues and fees for services. Counties in the District pay a membership fee of \$.23 per capita, which serves as the matching funds for the EDA Planning Grant. SCEDD provides planning and technical assistance at a below-cost rate to its member counties; such as, credit analysis, packaging of local and Business Loan Fund applications, and the Pueblo Urban Renewal Façade program. In addition, SCEDD monitors and reports on economic trends in the District and prepares grant applications on behalf of local governments and businesses in support of economic development.

Organizational Structure

SCEDD's *Board of Directors* is comprised of one director for each county, plus one director for every 25,000 residents (or fraction thereof) in the county. Based on the 2015 population counts, Pueblo County has eight directors, Fremont County has three directors and the remaining counties each have two directors. The Directors are appointed by their Board of County Commissioners and serve until replaced. The Directors represent the private, business, governmental and community sectors. The officers of the SCEDD Board are a Chairman, Vice-Chairman, Secretary and Treasurer. The officers serve in the same capacity on the Executive Committee.

2016 Board of Directors

Commissioner Dean Ormiston	Baca County
Commissioner “Spike” Ausmus	Baca County
Commissioner Bill Long	Bent County
Wendell Pryor	Chaffee County
Commissioner Dennis Giese	Chaffee County
Commissioner Tobe Allumbaugh	Crowley County
Commissioner Frank Grant	Crowley County
Marilyn Stodola	Custer County
Commissioner Lynn Attebery	Custer County
Sunny Bryant	Fremont County
Judy Lohnes	Fremont County
Commissioner Donald Oswald	Kiowa County
Commissioner Cindy McLoud	Kiowa County
Commissioner Mike Bordogna	Lake County
Commissioner Bruce Hix	Lake County
Commissioner Anthony Abeyta	Las Animas County
Jonathan Taylor	Las Animas County
Danelle Berg	Otero County
Commissioner Keith Goodwin	Otero County
Commissioner Henry Schnabel	Prowers County
David Valdez	Pueblo County
Commissioner Terry Hart	Pueblo County
Chris Markuson	Pueblo County
Caroline Trani	Pueblo County
Dan Centa	Pueblo County
Dave Abeyta	Pueblo County
Commissioner Max Vezzani	Huerfano County
Karen Wilson	Huerfano County

Responsibilities of the Board are to:

- ❖ Determine District policies, goals, and objectives
- ❖ Adopt Articles of Incorporation and By-Laws and make amendments thereto
- ❖ Resolve membership questions
- ❖ Review actions of the Executive Committee

2016 Executive Committee

The *Executive Committee* includes the officers of the Board and four at-large representatives elected by the Board of Directors.

Position	Member	County
Chairman	Commissioner Dennis Giese	Chaffee County
Vice-Chairman	Dan Centa	Pueblo County
Treasurer	Commissioner Lynn Attebery	Custer County
Secretary	Caroline Trani	Pueblo County
At-Large	Danelle Berg	Otero County
At-Large	Commissioner Donald Oswald	Kiowa County
At-Large	Chris Markuson	Pueblo County
At-Large	Commissioner “Spike” Ausmus	Baca County

Responsibilities of the Executive Committee are to review and recommend for Board approval:

- ❖ Annual budget
- ❖ Annual membership dues
- ❖ Amendments to Articles of Incorporation and By-Laws
- ❖ Guidelines for carrying out policies, programs and purposes of the District

2016 Strategy Committee

The *Strategy Committee* consists of the Executive Committee and representatives of the District. The committee is tasked with overseeing the preparation and adoption of the CEDS.

Member	County
Commissioner Dennis Giese	Chaffee County
Dan Centa	Pueblo County
Commissioner Donald Oswald	Kiowa County
Commissioner “Spike” Ausmus	Baca County

Danelle Berg	Otero County
Commissioner Keith Goodwin	Otero County
Chris Markuson	Pueblo County
Commissioner Lynn Attebery	Custer County
Wendell Pryor	Chaffee County
Nicole Thompson	Lake County
Jonathan Taylor	Las Animas County

Staff Members

SCEDD consists of three staff members: Executive Director, Loan Officer, and Loan Closer. The responsibilities of each staff member vary according to the needs of the District. The main duties are highlighted below.

Executive Director

- ❖ Oversees the day-to-day operations of the organization
- ❖ Maintains relationships with local, state, and federal partners
- ❖ Maintains relationships with the public and private sectors
- ❖ Develops and implements the CEDS
- ❖ Identifies and attracts businesses for community and economic development
- ❖ Identifies funding and prepares applications for community and economic development projects
- ❖ Analyzes and reports on economic trends in the District

Loan Officer

- ❖ Provides technical support for a variety of business loan funds
- ❖ Prepares loan applications and submits them to the appropriate program administrator for approval
- ❖ Markets available loan programs

Loan Closer

- ❖ Assists Loan Officer with loan applications
- ❖ Researches demographic information

3: Regional Economic & Socioeconomic Data

Summary Background

The SCEDD region encompasses four distinct economies.

The Upper Arkansas sub-region is having some success in strengthening the local economies, which are dependent on tourism/outdoor recreation, corrections, and mining. The sub-region continues to explore strategies to expand and diversify the local economies. State Planning Region 13, which is west of Pueblo, is serviced by the Upper Arkansas Area Council of Governments (UAACOG), and also includes Fremont, Custer, Chaffee, and Lake Counties.

The South-Central sub-region includes the counties of Huerfano and Las Animas. Las Animas County is located at the southernmost border of Colorado and New Mexico with Huerfano County located north of Trinidad and south of Pueblo. The sub-region signed a Memorandum of Understanding (MOU) with Colfax County, New Mexico to develop and implement an economic development strategy for the multi-county region, one that strategically builds on the current and emerging economic strengths of Raton Basin Regional Economic Development (RED).

The Southeast sub-region counties of Baca, Bent, Crowley, Kiowa, Otero and Prowers continue to experience out-migration and are developing the necessary tools to attract, retain, and expand private sector employment. In 2010 these six counties partnered to form a collaborative economic development group – Southeast Colorado Business Retention, Expansion and Attraction (SEBREA) – in order to support the region and the efforts of the existing economic development organizations.

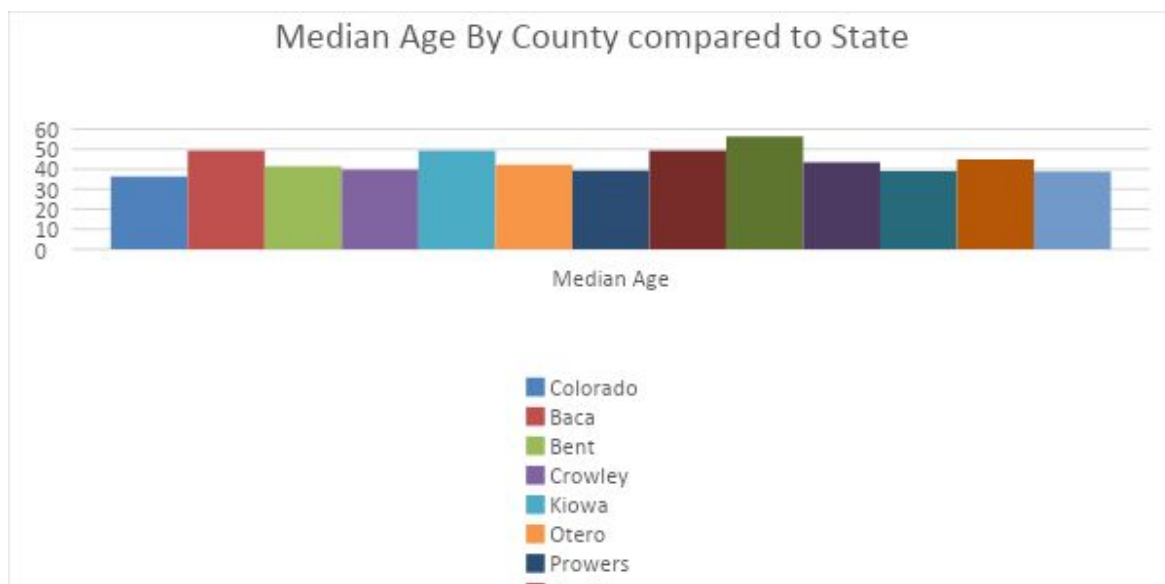
The Pueblo sub-region is comprised of Pueblo County; given its strategic geographic location and size, it serves as the “hub” for the region and anchors the surrounding sub-regions.

Population

The six southeastern counties continue to experience outmigration. Bent and Crowley Counties decrease in population can be explained by the decrease in inmate populations in correctional facilities located in those counties. The four counties that have had population growth over the last five years are in the Upper Arkansas Region -- Chaffee, Custer, Lake -- and Pueblo.

County	2010	2015	% Change
Baca	3,788	3,615	-5%
Bent	6,523	5,841	-12%
Crowley	5,850	5,539	-6%
Kiowa	1,410	1,391	-1%
Otero	18,875	18,288	-3%
Prowers	12,527	11,893	-5%
Chaffee	17,809	18,658	5%
Custer	4,255	4,464	5%
Fremont	46,824	46,692	0%
Lake	7,310	7,485	2%
Las Animas	15,507	14,058	-10%
Pueblo	159,063	163,591	3%

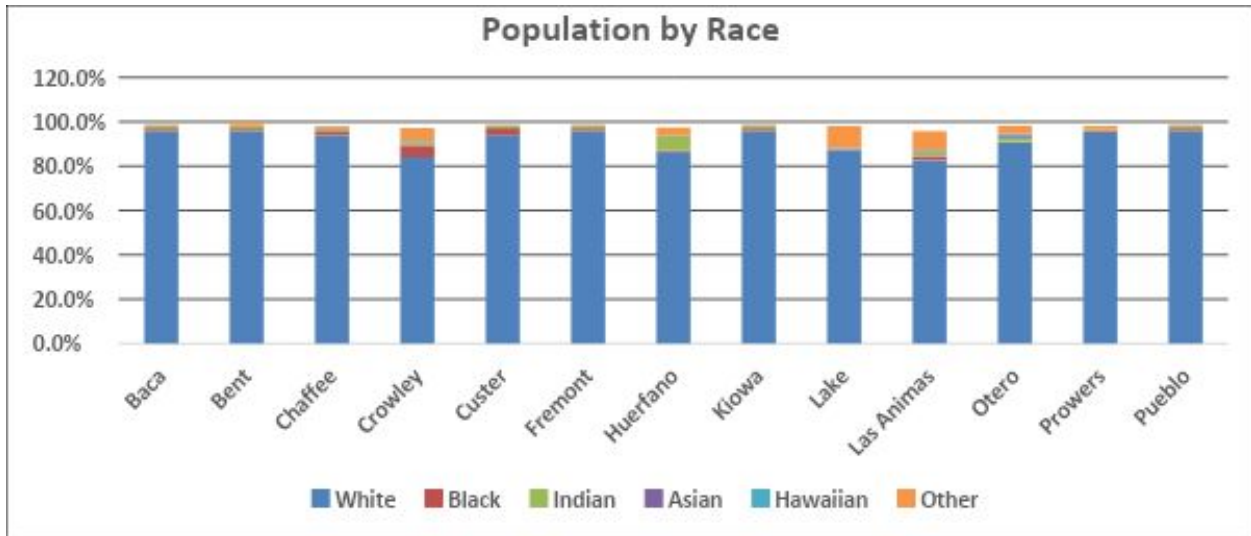
Median Age by County Comparison



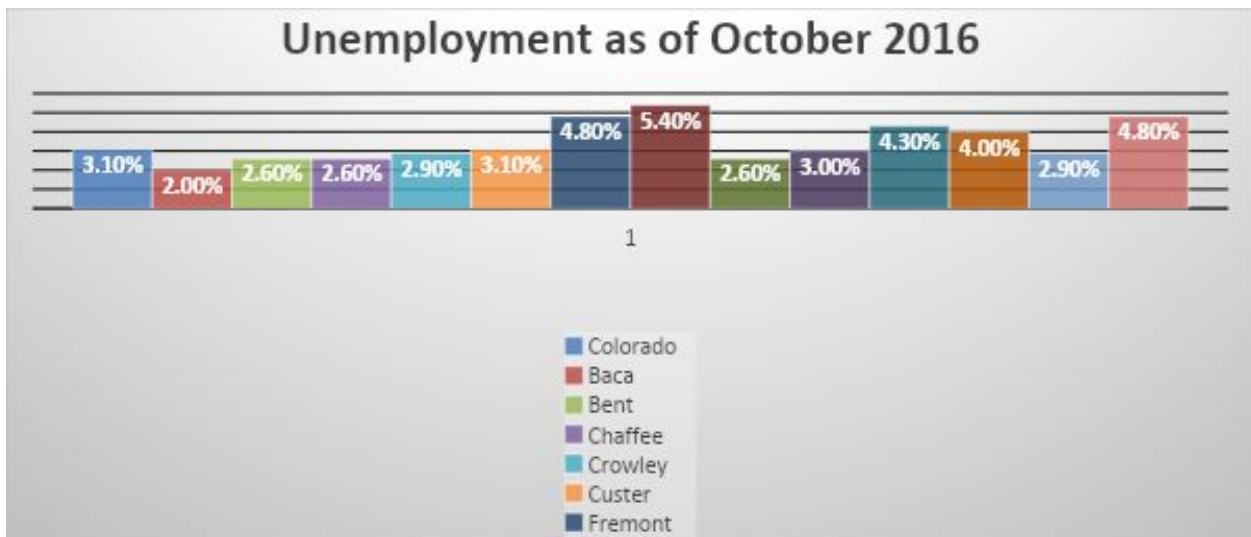
The Department of Local Affairs reports the estimated median age of populations in the District ranges between 39 and 56 years of age compared to the State median age of

36. However, the US Census reports the overall population within the District is aging and is partly due to the out-migration of families with young children, as well as the increase in the population of baby boomers.

Population by Race



Unemployment Rates



Environmental, geographic, climatic, and cultural information

All of the counties are considered “rural or frontier” which presents some unique challenges both geographically and culturally.

Upper Arkansas Sub-Region

The Arkansas River, which traverses the sub-region, is a key asset for the economy. Outdoor recreation, which includes 15 of 53 Colorado mountain peaks that rise over 14,000 feet above sea level, known as “fourteeners”. In addition, the only two man-made snow ski resorts in the State, Monarch and Ski Cooper, provide for offsetting seasonal economies. There is also exceptional trails and world class mountain climbing within the sub-region.

In 2016, the Tabor Opera House, in the City of Leadville, was designated a National Treasure by Colorado Preservation Inc. and an Endangered Places by the National Trust. The City recently purchased the property and is currently working on a plan to begin the over \$7 million rehabilitation work that will be needed. Fremont County holds a unique place in history as the home of two historically significant dinosaur excavations.

In terms of climate, the sub-region ranges from sometimes frigid and cold in the winter to a milder climate heading south from Leadville. In spite of the altitude, Custer County’s climate can best be described as cool, clear and dry in the winter, warm in the summer and sunny all year round with annual precipitation over 16 inches.

The sub-region also possesses significant amounts of land that are protected by State and federal regulations and laws. Browns Canyon in Chaffee County recently received a Presidential designation as a National Monument.

South Central Sub-Region

Las Animas County is the largest county in the state of Colorado and the fifth largest in the nation with 4,772 sq. mi. At 6,025 feet in elevation and with 300 days of sunshine and charming brick streets, the area is very welcoming to visitors and retirees. Travelers

from the south along the I-25 corridor get their first glimpse of Colorful Colorado with the Sangre de Cristo Mountain range meaning “Blood of Christ” to the west and the Comanche Grasslands to the east. The area boasts three lakes that provide excellent fishing, water activities, camp sites, and RV accommodations. The nationally recognized Santa Fe Trail from Missouri to New Mexico brought thousands to the west who traveled directly through Trinidad. Huerfano County is a major corridor for the region, connecting the southeast Colorado to southwest Durango.

The sub-region values its natural assets in renewable solar and wind energy. Efforts continue to focus education relative to geothermal energy opportunity for the region and potential plans to develop direct use heat exchange. Through the Refuel Colorado & Charge Ahead Colorado programs the sub-region continues working to promote Electric Vehicle use and Electric Vehicle Supply Equipment throughout the South Central and Southeast sub-regions.

Southeast Sub-Region

The Southeast sub-region lies east of Interstate 25 and can be characterized as receiving over 300 days of sunshine every year. The region’s wealth of outdoor adventures includes trails, petroglyphs and dinosaur tracks of Comanche National Grasslands, Picture, Vogel and Picketwire Canyons. Heritage tourism locations include Bent’s Old Fort, Boggsville and Sand Creek Massacre National Historic Sites. Recreational opportunities include boating, fishing, birding and hunting.

Pueblo Sub-Region

Located at the confluence of the Arkansas River and Fountain Creek, Pueblo County is situated geographically along Interstate 25. Pueblo has been an important crossroads for transportation and trading for more than 150 years, making it the economic hub of adjacent southern regions. Its mild climate with cool nights and hot days make trademarked Pueblo Chiles a great place to be grown with Rocky Mountain Water and Colorado Sunshine. The main variety of pepper that Pueblo farmers grow is the Mirasol “Mosco” Chile. The variety is very unique, because it grows with its tip pointing upward, toward the sun.

Pueblo is a multi-cultural community, predominantly comprised of Hispanic, Italian and Slovenian populations who have been here for generations. Drawing from this unique

cultural makeup, our community is well known for our diverse and delicious foods, signature events such as the annual Chili Frijole Festival and Flavor of Pueblo event. One of the largest steel-producing cities in the United States, Pueblo is sometimes referred to as the "Steel City". And as the hometown of four Medal of Honor recipients — more per capita than any other city in the United States — Pueblo is also known as the "Home of Heroes."

Pueblo is also home to the Colorado State Fair and additional attractions including the Historic Arkansas River Project (HARP), Lake Pueblo – one of the most visited state lakes in Colorado, one of the first state designated Creative Arts Districts in downtown Pueblo, and a variety of Museums such as the El Pueblo History Museum, Rosemount Museum, Sangre de Cristo Arts Center, and Buell Children's Museum.

Infrastructure assets that relate to economic development

Infrastructure assets that relate to economic development within the District are transportation – roads, rail and airports; water storage -- conservation and treatment; land use -- land use plans and codes related to or affecting development, density requirements; broadband – adequate and affordable internet access; and the “built” environment, the physical parts of where we live and work -- homes, buildings, streets, open spaces, and infrastructure

With the housing crisis facing many of our communities, communities are faced with the questions of how far to relax land use and planning codes to accommodate the need for additional housing units. Codes and regulations in downtown areas sometimes restrict economic generating activities and must be balanced with the good of the community. In addition, the new Tiny Homes industry requires counties and communities to be innovative in how to plan for this new brand of housing.

The Southeast and South-Central sub-regions have all experienced serious drought. While there has been some recovery, concerns remain regarding the impact of the drought on the local economy which is dependent on agriculture. Given the impact of the Arkansas River to the Counties that make up Upper Arkansas which depend a lot on tourism and outdoor recreation, specifically rafting and fishing, water remains a challenge and heavily dependent on the weather in terms of snow fall, runoff and river flows in the spring and summer.

Each of the counties within the District is fairly aggressive in seeking to promote economic development that fits with the character and historical nature of their communities. The Governor's Office of Economic Development and International Trade (OEDIT) provides considerable outreach and offers resources in the form of planning grants and technical assistance to promote economic development within the District. This assistance ranges from planning for better broadband to encouraging revitalization of "main streets" and preservation of historic buildings and areas.

Upper Arkansas Sub-Region

CDOT has made improvements to Highway 50 and Highway 24 which run through Salida and Buena Vista, respectively. Highway 285, which runs from the Denver Metropolitan Area to the San Luis Valley, has seen significant upgrades. The Governor's Office recently advised the sub-region that Highway 285 had become the "default" corridor to the mountains for the Denver and Colorado Springs metropolitan areas.

The City of Salida recently completed a new wastewater treatment plant which represented a significant increase in capacity.

In 2013 UAACOG in partnership with the Colorado Department of Public Health and Education, completed a combined Source Water Assessment Program and Non-Point Source Integration Action Plan with the public domestic water supply providers in the sub-region.

Canon City has invested in improving Main Street, but the remainder of the community is in dire need of street improvements. The community passed a tax initiative in November 2016 to begin to address the significant backlog of street improvements needed.

Fremont County has also improved broadband capacity.

South-Central Sub-Region

The collaborative efforts of the City of Trinidad, the South-Central Council of Governments (SCCOG), Colorado Department of Transportation, Burlington Northern Santa Fe Railway, Greyhound Bus Lines, and Amtrak resulted in the concept of a

centrally located transportation hub, the *Multi-modal Transit Center*. The project has moved back to the planning and feasibility phase following increased interest in a potential private/public partnership in the construction of the Center.

The sub-region has been awarded a grant to conduct a Broadband Strategic Plan. This regional plan will include Pueblo County and Colfax County, New Mexico.

Southeast Sub-Region

The sub-region, along with other partners, has been successful at retaining passenger train service by joining together with the states of Kansas and New Mexico and being awarded two Transportation Investment Generating Economic Recovery (TIGER) grants. The Southwest Chief Route Advancement and Improvement project will allow rehabilitation work to continue on rails from Kansas to New Mexico.

CDOT has completed the resurfacing of the “Ports to Plains” corridor of US Highway 287 that runs through Baca and Prowers Counties while continuing to examine the need and process to enhance US Highway 50 through the sub-region.

Broadband infrastructure is available throughout the sub-region. However, there are gaps within the service areas where households and businesses do not have service or have inadequate up/down speeds. With the help of DOLA the sub-region was awarded a Broadband Strategic Planning grant that will identify the gaps in broadband coverage and use existing providers to ensure sustainability.

Revitalizing communities within the sub-region have been successful. The City of Lamar implemented a Main Street revitalization program while the City of Eads was recently awarded a historic preservation grant to begin restoring the historic Plains Theatre.

Pueblo Sub-Region

CDOT began one of their large-scale projects in Pueblo County in 2016. The I-25 reconstruction project in Pueblo includes the rehabilitation of six bridges on, over or adjacent to I-25, as well as the construction of roadway and bridges on I-25 between Ilex and First streets. The improvements will mean a new highway interchange at both First Street and Ilex, as well as a widening of the interstate, new sound barriers and

other upgrades. The entire \$78 million project is estimated for completion by August 2017.

In 2009, Pueblo stakeholders developed a Regional Tourism Plan to attract new, out-of-state, visitors to Downtown Pueblo. This plan includes:

- the expansion of the Pueblo Convention Center
- construction of a new Riverwalk Boathouse, Regional Aquatic Facility, mixed-use development projects, hotel development, outdoor amphitheater
- renovation of Memorial Hall
- a three-story parking structure with a walkway to the hotel that adjoins the expanded convention center.

The City of Pueblo was one of seven city's vying for the State of Colorado's RTA Grant. On May 18, 2012, Pueblo was awarded \$14.8 million to implement the tourism plan. As part of the project's next phase, the Pueblo Urban Renewal Authority (PURA) recently announced that a team has been selected as the preferred developer for a 100+ room hotel to be located near the Riverwalk. The hotel is tied to the Pueblo Convention Center expansion and construction of the Professional Bull Riders University (PBRU) as part of the Pueblo Regional Tourism Project. The hotel development will be an integral component, which will be instrumental to the overall success of the project. The exhibition hall will be built where the current Convention Center surface parking lot exists. Shared parking by the Convention Center and the hotel will be provided via a combination of surface and structured parking located adjacent to the site. Construction of the Pueblo Convention Center Expansion & Professional Bull Riders University is expected to begin late summer 2017.

In 1994, the Colorado legislature created the Pueblo Depot Activity Development Authority (PDADA) to plan for the transfer of portions of the Pueblo Chemical Depot (PCD) to the community. In 2013, the Army formally declares 15,847 acres of PCD as surplus property, including approximately 5 million square feet of buildings and bunkers, 160 miles of roadway, and 46 miles of rail infrastructure. The PDADA is in the process of repositioning the subject property into a mega-site known as "PuebloPlex". The PuebloPlex Redevelopment Plan will be the roadmap to creating a dynamic, vibrant location that is to nurture job growth, expand the tax base and return the soon-to-be-former Pueblo Chemical Depot to its highest and best use.

PuebloPlex's secured acres support current occupancy and future development for: Manufacturing, Distribution, Warehousing, R & D, Short-term storage, Renewable and Conventional Energy while offering exceptional economic development incentives; abundant energy and water; access to major rail and highway links; daily commercial air and executive airport service; well-trained workforce; business-friendly climate; remarkable state and community college resources.

Emerging or declining clusters or industry sectors

Health and wellness is emerging as an industry sector in the District, due in part to the increase in the population of seniors and semi-retired individuals as well as those coming to the area and choosing to remain. This has created a need for more services for this population.

The recently announced pending closure of the Henderson Mine in Clear Creek County put Lake County and the sub-region on notice regarding the potential impact of closure of the Climax Mine in Lake County. Both the Henderson Mine and Climax Mine are owned by the same company. However, these mines are facing significant competition from moly mines in other parts of the world, resulting in the reduction in production at the Henderson Mine. A significant number of employees of the mine live in Lake County but also commute from Chaffee County and the surrounding area. The eminent decline of this industry requires the District and sub-regions to be making plans now to help deal with the effects the closing of the mine will have on the economic base.

Upper Arkansas Sub-Region

The sub-region is experiencing some modest growth in the light manufacturing and telecommuting population and industry. While transportation remains a key challenge, the ability of individuals to work from home and the lifestyle within the area, are attracting entrepreneurs and businesses not totally dependent on remaining in or near large metropolitan areas. Growth in the tech sector has encouraged Fremont County to establish a tech accelerator and plans to emerge as a strong technology community. Lake and Chaffee Counties have both seen the establishment of budding co-working and maker spaces in order to support this budding industry. The housing shortage has inspired a burst in construction activity.

The Upper Arkansas region has two Sector Partnerships, Health and Wellness and Tourism and Outdoor Recreation that have emerged in a collective effort to increase the number of qualified workers and recruit and retain workers in these fields that are becoming necessary. St. Thomas Moore Hospital is initiating an in-house training program from CNAs.

Recently, Lake County passed a mill levy which enabled the hospital to procure a \$20 million USDA loan to construct a new medical facility to serve Lake County. Heart of the Rockies Regional Medical Center (HRRMC) in Chaffee County began offering dialysis services to the region, and is offering a number of specialties. The HRRMC is currently considering a strategic plan which will include significant expansion of the current facility and additional services.

South Central Sub-Region

Clean energy continues to emerge within the sub-region. San Isabel Electric/Tri-State Generation Association has moved forward with their contract with Juwi Inc. SIEA/Tri-State to purchase the entire output of the 30-megawatt solar farm over 25 years. When completed, the project will have a capacity of 37.8 MWs, with roughly 120,000 solar modules. In addition, Peak Views Wind Energy project, to build 34 wind turbines will provide 60 MWs of power and was recently approved by the PUC.

Southeast Sub-Region

Over the last two years Sprout Tiny Homes has begun to build the newest form of housing – tiny homes. They have been successful in bringing their tiny homes to the South-Central and Upper Arkansas Sub-Regions by working with communities to add tiny home sub-divisions. Sprout Tiny Homes has been on the leading edge of the housing industry.

The hemp industry is beginning to emerge in the sub-region. Over 200 acres of hemp were grown in 2016. This raw material is used for hemp oil extraction as well as supplying raw material to a small insulation manufacturer.

The health industry within the sub-region has seen some growth with the addition of Care Connect – a “flight for life” service housed out of the municipal airport at La Junta. Care Connect has agreements across the sub-region to be the “responder of choice”

when tragedy occurs and the need for immediate medical care is required. A second kidney dialysis center was added at La Junta. The City of La Junta will not have a skilled nursing facility as of the spring of 2018. Recently, a taskforce has been named and work has begun on acquiring a company to build and manage a new nursing home facility. As mentioned earlier, the sub-region's population is aging and many of the physicians in the sub-region are on the verge of retiring or reducing their practices. These situations are causing a shortage of healthcare workers. The Southeast Healthcare Partnership was launched to introduce elementary students to occupations within the health industry and to actively recruit/retain healthcare workers to the sub-region. Otero Junior College and Lamar Community College continue to increase degree and certificate programs in the health field. Recently the Health Navigator and Medical Lab Technician programs were launched at OJC and have seen great success.

Alternative energy appears to be emerging as another potential industry. What started out as open plains and ranchlands in Southeast Colorado is rapidly becoming a leading outpost on the new energy frontier. According to the National Renewable Energy Laboratory (NREL), Southeast Colorado's wind speed and consistency make it an ideal location for wind farms. The state as a whole is viewed as an alternative energy leader and presents strong solar and wind energy generation potential. The sub-region is already home to two of the state's largest wind farms, Twin Buttes and Colorado Green Wind Power Projects. Lamar Community College is creating a program to train workers for the specialized maintenance required by wind turbines.

After the Fort Lyon Correctional Facility in Bent County was decommissioned in 2012, the Colorado Department of Local Affairs (DOLA) repurposed the facility as the Fort Lyon Supportive Residential Community to provide recover-oriented transitional housing for homeless individuals. The program combines housing with counseling, educational, vocational and employment services for homeless and formerly homeless persons from across Colorado, with an emphasis on serving homeless veterans. Although the facility is located in and managed by Bent County, additional collaborative service providers stretch across the southeast region -- Otero Junior College, Lamar Community College, Southeast Health Group, Powers Medical Center and Valley-Wide Health Systems. The impact of the work being done at Ft. Lyon can be felt across the state. According to the 2015-2016 Ft. Lyon Annual Report produced by the Colorado Coalition for the Homeless, 97% of the participants at Ft. Lyon participated in higher education, vocational education, outside employment and/or recovery based support groups.

Pueblo Sub-Region:

New and Existing Industry Clusters - Pueblo has seen significant success in attracting new, high-tech industries during 2015. Three sectors of the economy have been identified as promising “clusters” for economic growth, and progress has been made in each. The first sector is aerospace development and manufacturing. In July 2015, United Launch Alliance, a joint venture between Lockheed Martin Space Systems and Boeing Defense, Space & Security, announced Pueblo as the location for testing and manufacturing of propulsion systems for the next generation Vulcan rocket. Earlier in the year, Pueblo was chosen as the site of an \$82 million expansion of United Technologies Aerospace System’s carbon braking business. These products are used on a wide variety of commercial and military aircraft. A second potential cluster is the emerging hemp industry. Hemp is a non-hallucinogenic strain of the cannabis family and has thousands of commercial applications for nutraceuticals, cosmetics, clothing, fiber, and medical products. In October 2015, CBD Bioscience announced it will locate North America’s largest hemp oil extraction facility in Pueblo with production starting later in the year. The facility will employ at least 163 people within three years. The goal is for this project to serve as the catalyst for hemp industries since Pueblo has an advantageous climate for growing hemp, in addition to the qualified production workforce and facilities to process the crop into commercial products. The third identified cluster is rail industries. Much of this is driven by three unique facilities in Pueblo County. Evraz Steel, the descendent of the historic CFI Company, is the largest producer of rail in North America. Also, the Transportation Test Center is acknowledged as one of the premier engineering, testing, and training facilities in the world. Finally, Rocla Concrete Ties established a large facility in Pueblo several years ago, providing pre-stressed concrete railroad ties throughout the nation. Other existing companies produce a diverse portfolio of rail components, accessories, and cars. In addition to these existing and developing clusters, other projects are underway. Renewable energy developer Community Energy has started installation of the largest solar panel facility east of the Rocky Mountains. The power from this facility, which is located next to the Comanche Generating Station, will go to Xcel Energy. The project will use 450,000 solar panels to generate enough power for 31,000 homes according to the developer. Pueblo is under consideration for other solar energy applications due to its favorable climate and abundant sunshine. A driving force for much of the development in the downtown area is the expansion of the Historic Arkansas Riverwalk Project, also known as HARP. A loan from the city’s economic development fund will jumpstart work on an ambitious complex that will include an expanded convention center with a multiuse

arena for the Professional Bull Rider's University bull-riding school. Future phases will result in the expansion of the Riverwalk, an amateur athletics swimming complex, and potential indoor/outdoor water park. In addition to tourists and convention visitors, the HARP project is expected to attract professional offices to locate in the city center area.

Relationship of the area's economy to the larger region

The Colorado population and economy are among the fastest growing in the nation. This growth has primarily occurred along the front range, geographically described as starting in northern Colorado in Larimer and Weld Counties running south through Colorado Springs to Pueblo. Among the key challenges for this District is how it benefits from the growth that is concentrated along the "Front Range".

Throughout parts of the District, counties are starting to experience some of the spillover effects of the population and economic growth. Examples include increased tourism in the Upper Arkansas sub-region, and opportunities for visitors to the Southeast, South Central, and Pueblo sub-regions to experience the historical and cultural assets of the communities.

Upper Arkansas Sub-Region

Given the numerous outdoor recreational opportunities and the relatively low cost, the Upper Arkansas communities are seeing an increase in the number of visitors and tourists coming from the Front Range. While this was common during the winter months due to access to the ski resorts, it is becoming a trend during the non-winter months as more and more people are visiting to enjoy hiking "fourteeners" and mountain biking to whitewater rafting and fishing. In addition, the sub-region has a number of historic sites dating back to the 1800s, the mining industry and numerous street fairs, events, and parades.

Fremont County is exploring the reasons why the economic boom of El Paso County has not had a significant influence on economic growth in Fremont County. The economy remains somewhat stagnant. The county is hoping that the TechStart project

will bring tech companies that support Colorado Springs' industry to Fremont County to experience what has been called a "transformational" lifestyle.

South Central Sub-Region

Heritage tourism is important in the sub-region and draws visitors from Colorado and surrounding states to enjoy their cultural/heritage tourism efforts.

Southeast Sub-Region

The Southeast Region continues to lag behind the Front Range. The American Community Survey (2011-2015) reports Colorado's median household income as \$60,629 while Baca, Bent, Crowley, Kiowa and Otero counties range between \$31,000-\$38,000.

Pueblo Sub-Region

Pueblo County's population has grown steadily over the past two decades. It was the 10th most populous county in the state in 2015 with 163,348 residents. Since 2010, the county's population experienced an increase of 3,852, an annual average growth rate of 0.5%, significantly below the state growth rate of 1.6%. Most of population (67%) lives in the city of Pueblo. With 109,264 residents in the city of Pueblo in 2015, it ranks as the 9th most populous city in Colorado just ahead of Centennial, Boulder and Greeley. A large share of the migrants to Pueblo have been slightly older, in their 50s and 60s, with 64 year-olds accounting for highest share at 3.5% of all migrants. Pueblo also attracts families with adults age 30-40 and their children. More young adults ages 23-30 moved out of the county than moved in. Although Pueblo is still known for affordable living, easy access to a variety of outdoor quality of life assets, and lower cost of doing business benefits than other front range communities. Pueblo is still challenged with retaining and attracting young professionals to the county.

Pueblo County has a slightly older age distribution than the state with a large share of the population over 50. Currently 24% of its population is within the Baby Boomer generation, similar to both the State (23%) and in the Nation (23%). Pueblo County's current median age is 39.8 is about 5 years older than in 1990 when the county's median age was 34.9. By contrast, the State's median age in 2017 is 37.2. Pueblo will need to evaluate the needs of the aging population to make sure that they can age in

place. The retiree population currently is about 24% of Pueblo County's economic base. The retiree contribution to the base is forecast to increase to an approximate 32% by 2030. It is important to evaluate how well Pueblo can retain its aging population as they are an important economic driver. Housing will be an important factor. Additionally it will be important to see how well Pueblo can attract younger adults. These will be the labor force filling jobs of those retiring and/or also providing services to the aging population. A housing stock that meets the needs of all earners and retirees will be important for continued consideration.

Pueblo County has a lower median household income than the state, \$41,286 vs. \$60,629. Looking at the income distribution, there is a higher share of households with less than \$50,000 in income compared to the state. This is driven by the lower wage retail, healthcare, and government jobs alongside fewer higher wage professional services jobs, essentially no mining jobs, and older households. Wages in Pueblo increased by 2.4% between 2014 and 2015, while statewide wages increased by 2.8%. Proprietors, such as realtors and many construction workers, account for about 12% of the total estimated jobs in Pueblo County are not included in this wage data.

Commuting also plays an important role in the economy of Pueblo County since not all workers live in the same county as where they work. Commuting impacts local job growth, access to employees, and transportation infrastructure. Of the jobs in Pueblo County 74% are filled by residents while 26% are filled by workforce residing outside the county. Considering the resident workforce, 68% of the resident workforce is also employed in Pueblo County with 32% working outside the county. Neighboring El Paso County is the top location for residents working outside the county; however, northern Front Range counties are among the top locations for residents working outside of Pueblo, suggesting that many of these workers might telecommute.

Factors that directly affect economic performance in the area

The factors that directly affect economic performance in the area are similar or related to the same factors that are drivers of resiliency and/or key hurdles based on a study that was recently released by the Governor's Office "Rural Economic Resiliency in Colorado" a Study of Factors Impacting Resiliency. The "drivers" of resiliency from the Study include quality of life, education and healthcare, community leadership, industry

diversity, and transportation. The “hurdles” were housing availability and supply, labor market, youth, family retention, and smart growth.

Throughout the District, aspects of each of the drivers and hurdles can be found that will impact or directly affect the economic performance. The District has at least four community colleges and one major university. Each of the counties is dependent on the post-secondary institutions for workforce development that represents the potential for innovation assets.

The need for career and technical education, while challenging, is being developed and implemented throughout the District. Some examples are in the building trades. Lamar Community College offers a comprehensive two-year degree program and three certificate programs – carpentry, electrical, welding -- to prepare students to pursue a variety of professional career opportunities in construction trades. In addition, the curriculums provide flexibility for experienced contractors and trades practitioners to upgrade or broaden their skills and knowledge. By pairing one of the building trade or welding programs with additional business programs, students may graduate with the needed coursework to start their own carpentry or contracting or welding business. Additionally, school districts in the Upper Arkansas sub-region offer career and technical programs in construction and are building affordable housing for their staff.

Healthcare is another example. Otero Junior College (OJC) along with Lamar Community College (LCC) continue to offer associate degrees that lead to LPN and RN licensure. New to OJC is the Medical Lab Technician and Health Navigator degrees. Pueblo Community College (PCC) recently was approved to offer a four-year bachelor degree in Dental Hygiene.

While the community colleges are offering these training opportunities, they also require a good deal of general studies along with the degree programs, causing the length of training to stretch out beyond what many people are willing to complete. There are private schools in Pueblo that offer healthcare and other sector certificate training in a compressed amount of time for a lower cost. An example of one of these private schools is a Commercial Driver License truck driving school. It is a short-term training plan that allows industry quicker access to a trained workforce and provides fairly good pay..

In terms of industry supply chains the Upper Arkansas sub-region is concentrating on “cluster industries”. Cluster industries are a geographic concentration of interconnected businesses, suppliers, and associated institutions in a particular field. Clusters are considered to increase the productivity with which companies can compete, nationally and globally.

All economies are reliant on strong and vibrant K-12 educational systems. Being able to prepare youth for post-secondary education or careers after graduation is vital for a community. Communities that struggle with this have a difficult time attracting and retaining teachers, employers, employees, and entrepreneurs. Lake County has struggled with this for many years, however, over the last three years, Lake County School District has instituted expeditionary learning. This is an instructional model that focuses on increasing student engagement and rigorous learning in addition to developing positive school cultures. While it will take time to show progress, there are small signs that things are moving in the right direction. Teacher turnover is decreasing and student morale is improving. State test results still lag, but are improving.

Other factors that relate to economic performance

Along with healthcare issues mentioned previously, rural communities in the District experience a large need for dental services, as well. A large number of people seen in the emergency room are there for dental related pain.

There is a large need for mental health providers to assist with depression as well as other mental health issues. This is an issue that is presenting itself in K-12 as well as in the general adult population. The local medical facilities are not adequately equipped to handle the special and specific needs of this population.

Unsurprisingly, attainable and quality housing is a major concern and issue throughout the District. Housing inventories are aging as fast as the population.

Upper Arkansas Sub-Region

Two low-income housing tax credit projects were recently awarded to the sub-region. One award was for affordable workforce housing for the individuals who qualify based on income in the 30-60% of the Area Medium Income (AMI). The other award was for permanent supportive housing of populations that qualify based on homeless status.

Two years ago, Centura Health opened an urgent care facility in Canon City. There was already a Health Trac urgent care facility in the city. Last year Solvista Health opened a health clinic co-located with the mental health center in an effort to better serve clients with co-occurring mental and physical health issues. The clinic is available to the public and serves a large number of Medicaid patients. Valley Wide Health Services is expanding in Fremont County. They have had a small presence for a number of years, but in 2017 will open a full community health clinic and dental clinic.

In Lake County, voters passed a mill levy increase for the county, to cover emergency and ambulatory services, and the hospital district, that allowed the St. Vincent Hospital secure a \$20 million USDA loan for a new, state of the art medical facility for Lake County. In addition, St. Vincent recently contracted with Centura Health to act as the hospital's management company.

Southeast

The Southeast sub-region boasts some of the oldest settlements in the states. It is not surprising that approximately 65% of housing is over fifty years old, which is well past its prime without significant maintenance. Most of the older homes and buildings in the sub-region contain asbestos. The cost to abate and dispose of this deadly substance is greater than the money available to rehabilitate or renovate them.

Pueblo

The challenge in the Southeast sub-region include the ability to finance new construction or rehabilitate existing housing due to environmental hazards. Otero County's housing inventory is aging. More than 77% of the housing structures were built before 1970 with over 31% built pre-1930. Many of these homes require renovation. However, these efforts are costly due to the costs of asbestos inspection, remediation and disposal. By the time the homes are livable, contractors cannot get a return on their investments.

SWOT Analysis

The result of the Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis conducted by SCEDD indicates the following based on a compilation of the most significant findings when compiling the results from each county's meeting with key stakeholders. Elements of the SWOT analysis that appear to be in conflict were discussed. Business Development for example can be a strength but must be sustained or it becomes both a weakness and threat to Tourism and the Quality of Life. Without adequate resources that can be leveraged, they too can become a weakness and a threat. What the SWOT analysis points out is the need for ongoing and strong collaboration within the District.

Strengths

- Quality of life
- Tourism
- Workforce/Education
- Resources-water, wind, infrastructure
- Business Development
- Healthcare

Weaknesses

- Business Development (lack of)
- Resources (lack of)
- Infrastructure-wind farm, transmission lines
- Workforce/Education
- Housing

Opportunities

- Business Development
- Tourism
- Resources

Threats

- Resources
- Business Development
- Quality of life

- Tourism

Overall State of the Regional Economy

The overall state of the District economy is “mixed”. The Upper Arkansas Sub-Region is stable or increasing in population. The sub-region has been awarded two sector partnerships to leverage the assets involving health and wellness, and tourism and outdoor recreation.

The Southeast Sub-Region is stable and is overcoming the closure of several major employers that eliminated approximately 400 jobs. Repurposing a facility that is becoming a model for dealing with the homeless population is just one example. This region is also demonstrating resiliency by exhibiting strong leadership, thoughtful planning, and revitalization of communities through leveraging its heritage and reinventing industries around renewable energy.

The South Central Sub-Region, while facing challenges, are also benefiting from strong leadership and working with State government are leveraging their heritage, creative district designation and renewable energy opportunities.

The Pueblo Sub-Region and hub for the District is also stable and progressing by attracting new industry and utilizing its cultural and historic amenities.

Regional Clusters

In addition to the sub-regions described above, the District is identifying regional clusters including health and wellness, tourism and outdoor recreation, renewable energy, workforce and education.

The Colorado Blueprint indicates that the Health and Wellness cluster ranks in the top one and two for all four of the sub- regions of the District.

The Upper Arkansas sub-region includes tourism and outdoor recreation as the second ranked cluster.

Both the Southeast and South Central sub-regions include food and agriculture in addition to health and wellness as the top two clusters for their regions.

In the regional hub of Pueblo, advanced manufacturing is second after the health and wellness cluster.

External trends and forces

Limited, direct access to major interstate highways limits the type of industry and development that could be attracted to the District. Roads that connect to the interstates are two-lane, windy, and in places steep and are not ideal for heavy truck traffic.

Decrease in natural extraction industries impacts Climax mine as molybdenum is used in the manufacturing process for extraction equipment, piping, and tools. As the extraction industry declines this will have a marginal impact on the moly market and, therefore, Climax Mine.

Second-home ownership brings in professional part-time residents who contribute to the overall economy through taxes. However, this reduces the availability of workforce and affordable housing and impacts the ability to recruit workers and employees for the large tourism industry as well as housing for teachers and healthcare employees.

As a tourism destination, new people are brought into the community but require minimum skills and education and the employment for the most part offers very low wages and usually no benefits. The community is left with a population that is overworked, due to working numerous jobs to make ends meet in a resort and bedroom resort community, and this produces a workforce that can be heavily reliant on public assistance. There is a need to identify ways to better incorporate this population into the community and work to ensure their needs are suitably met. In addition, there is a need to work to provide educational and workforce opportunities that can improve the overall quality of life and encourage these workers to remain productive members of the community.

As the majority of employers in the district are small businesses, legislative issues have significant impact on the ability to keep a business operating. Healthcare legislation and

mandates as well as minimum wage legislation are significant trends and forces for small business owners.

In May 2013, Governor John Hickenlooper announced the administration's health policy agenda, *The State of Health: Colorado's Commitment to become the Healthiest State*. The focus areas included in the plan are: 1) Promoting prevention and wellness, 2) Expanding coverage, access and capacity, 3) Improving health system integration and quality and 4) Enhancing value and strengthening sustainability.

Workforce Considerations

The region has at least four community and two-year colleges and one major university. These institutions work closely with the local communities, and, when appropriate, with each other on workforce development. Colorado Mountain College (CMC) has a strong entrepreneurial program to support and grow the local entrepreneurial environment. It works closely with local community representatives through its Entrepreneurial Advisory Committee, to addresses trends and opportunities and how best to continue to meet the needs of this ever-changing sector. CMC is also able to create specialized training programs for local industries. In 2014, CMC, working with Climax Mine, developed a training program to train new workers to replace the baby-boomers retiring from the mine. This program is focused on training local residents rather than recruiting from the front range. The training diagnostic electrician training in a special mobile training lab that can move throughout the mountain communities.

Community colleges have been responsive in creating fast-track certificate programs to expedite the ability for students to enter the workforce. The private sector also has specific trades training available throughout the District.

With the 2016 elections, complete, the nation now has a new President. The new administration has all eyes on the national economy. Although Federal Reserve officials are calling on the new Trump administration to prepare for a future downturn in the economy, time will tell what will happen to the national economy.

Spatial efficiencies/Sustainability

There are fourteen airports in the four sub-state planning regions of the SCEDD District. The airports in the Upper Arkansas sub-region are high altitude airports and available for high altitude testing as well as testing for other technologies such as drones. Within the Southeast sub-region, an emergency response helicopter is housed to provide quicker turnarounds for medical care across the region.

Housing is at a critical level and therefore, extremely tight across the District. In the Southeast and South Central, housing is aging with issues such as asbestos. Within the Upper Arkansas sub-region, some employers will not hire a new worker that does not already have housing because the likelihood of retaining that employee is diminished.

All across the District education institutions, from elementary schools to four-year universities, are partnering with employers, sector partnerships, economic development organizations and the State to bring industry and workforce training to the population. The Southeast sub-region also partnered with Ogallala Commons to institute Youth Engagement across the sub-region. This involved survey junior and senior high students on what they think about their town and whether they would stay or return to it. The results of the survey indicated that a large portion would return to their hometown if quality, good-paying jobs were provided.

Broadband Needs

Throughout the District, counties have participated in planning efforts to identify assets and needs to deploy more robust broadband throughout the District. State monies have been made available to retain experts who provide expertise and technical assistance to further deployment of broadband within a geographic area. Resources have also been made available to further actual deployment. Therefore, each sub-region has either a plan or someone responsible as the “champion” for that area or sub region.

Energy Needs

It is evident across the District that in order to support future commercial and industrial development, additional energy – electrical, natural gas -- will need to be increased. While there is some three-phase power, it is not located in those areas that have been identified as potential industrial and light industrial developments. The high cost of

bringing this resource to communities within the sub-regions generally falls on the customer.

Renewable energy resources are naturally replenishing in a relatively short period of time, such as solar energy, geothermal energy, wind energy, biomass, and hydropower. While it is worth exploring all of these renewable energy options for different scenarios, solar energy is the most common choice for energy production because of its strong production potential, ability to tie into the grid, and take advantage of incentives.

Alternative energy is emerging as a potential industry. Southeast sub-region is home to two of the state's largest wind farms. According to the National Renewable Energy Laboratory (NREL), Southeast Colorado's wind speed and consistency make it an ideal location for wind farms. In order to continue developing wind/solar energy in the sub-region, additional transmission lines will be needed which is difficult and costly to accomplish.

Natural Hazards-fires, floods, droughts

Natural hazards seem to have a bull's-eye on the District. The Southeast sub-region has fought drought conditions leading to fires and flooding and the Upper Arkansas sub-region recently survived a wildfire that consumed some of its national treasures and flooding from torrential rains that besieged the area after the fires. In both cases, the District was able to assist the sub-regions with grant-writing efforts to secure funds to help mitigate costs of assistance from local, regional and State fire departments, tourism revitalization and disaster planning and recovery.

The counties in the District have written Pre-Disaster Mitigation Plans (PDMP) to comply with FEMA requirements. The PDMP identifies the natural hazards of highest risk for each county as well as the infrastructure and assets that are most at risk. The common high risk natural disasters are wind, drought, fire and flood. The PDMP also identify the steps the counties have taken or will take to mitigate the impacts of natural hazards.

Each county within the District has documented their Emergency Management Plan within their county reports.

Equitable development

Housing is a challenge in all four of the sub-state planning regions of the District. In the Upper Arkansas Region, two tax credit projects were recently awarded. One award was for affordable workforce housing for the individuals who qualify based on income in the 30-60% of the Area Medium Income (AMI). Otero County's housing inventory is aging. Many of these homes require renovation but efforts are costly due to asbestos inspection, remediation and disposal.

Partners for Economic Development *influential actors in the region. These may include organization, businesses, or individuals that represent important issues*

El Pomar
Rural Philanthropy Days
Sector Partnerships
Colorado Workforce Centers
State Demographer
State Historical Society
DOLA
School Districts/BOCES
Ogallala Commons Youth Engagement
Otero Junior College
Lamar Community College
Pueblo Community College
University of Southern Colorado – Pueblo
Upper Arkansas Area Council of Governments
South Central Council of Governments
South East Colorado Enterprise Development
Southeast Business Retention and Expansion
County Commissioners
City and Municipal Governments
Tri-County Housing and CDC
La Junta Economic Development
Bent County Foundation
Kiowa County Foundation

Baca County Foundation
Prowers Economic Prosperity
State Congressmen and Senators
Office of Economic Development and International Trade
Southeast Colorado Power Association
Black Hills Energy
Xcel Energy
Chambers of Commerce
Small Business Development Centers
Creative Partnerships
Financial Institutions
Pinon Canyon Maneuver Site
Natural Resource Conservation Service (?)
State Wildlife

Resources for Economic Development *what relevant groups, organizations or individuals are located in the region? Who can provide support and funding to build capacity*

Xcel Energy, Black Hills Energy, Southeast Colorado Power Association, Arkansas River Power Association, Tri-State Generation—assistance for new substations, undergrounding of utilities, upgrading to three-phase power

Local Banks—financing for development projects but also flexible financing for startup and business expansions and growth. In some localities, banks are local and can make local decisions and play a large role in funding and encouraging economic development and business growth. In communities where the local banks are part of a larger regional or national banking system, more challenges to get support and financing—decisions are made outside of the area but individuals not familiar with the struggles and realities of mountain and seasonal economy—can delay and even prohibit growth and development based on too stringent terms, interest rates, policies

Non-traditional financing—

Revolving Loan Funds -- Offers gap financing for projects that are unable to get full funding from a bank, offer a second loan to cover the gap, or direct financing for small loans for equipment, small real estate deals, working capital, workforce development.

SBA 504 loans—for real estate deals and historic preservation

ACCION, Community Enterprise Fund, Colorado Lending Source—small loans less than \$50,000 usually to help small start-up businesses that are too small for traditional financing and/or are riskier due to credit issues and/or lack of collateral

Rural Economic Development Initiative (REDI)—to fund planning reports, feasibility and marketing plans, and community facilities

Colorado Department of Local Affairs (DOLA) Funding

Main Street Program—to support the revitalization of small rural commercial corridors by retaining the historic character of the buildings. Encourages more tourists and residents visit the core by creating special programs, events, and spaces that encourage people to meet and congregate. Also works to ensure walkability and beautification of the core through attractive street furniture, public arts and spaces, wayfinding, etc.

Business Assistance Programs

Small Business Development Center Network (SBDC) – state-certified business consultants provide free, confidential one-on-one technical assistance to existing and new business to help them grow and prosper with an emphasis on business retention and expansion. SBDC works with businesses on specific business needs to assist with the businesses growth and development while also providing training and resource support services that blend federal, state and local resources available.

Economic Development Corporations and Councils (EDCs)—offer assistance in finding available space, business plan development, financing (finding it), and general support and assistance

SCORE—free mentoring offered by experienced business leaders and owners, either retired or still working. Mentors offer business assistance in all areas of business growth and development and work with the business owner for the life of the business. Leadville has a SCORE office that is housed at the LLCEDC and is a branch of the CO Springs SCORE Chapter.

Enterprise Zone Tax Credits

In the SCEDD Region, a portion or all of the counties are also State Enterprise Zones. This state designation provides state tax credits to businesses that invest in these areas by buying and renovating vacant commercial buildings that are at least 20 years old and have been vacant for 2 years or buy new equipment or hire and training new employees.

Some communities have historic districts and improvements that are done, according to Interior Secretary Standards, can be eligible for federal tax credits and/or state tax credits based on total rehabilitation costs.

San Isabel Electric, Black Hills Energy, Atmos Energy, Sangre de Cristo Electric, Southeast Colorado Power, Public Service Company, are all utility companies that play a major role in the economic vitality of their respective communities.

USDA Rural Development

3. Strategic Direction & Action Plan

Strategic planning and implementation is an ongoing process of the CEDS document. Goals and actions have been listed. While some goals may be completed in the next few years, others are contingent on available funds and may take longer than five years to complete. For this reason, the District will work with each county to implement their plans and provide updates to monitor progress. Implementation and monitoring of goals will include the following:

The District will work with local leaders and economic development organizations to research new opportunities and funding sources. Some identified resources for funding were mentioned previously. Additional sources will be utilized as they become available.

County-appointed Board Members will report their progress during quarterly board meetings, local meetings and discussions with the District. Goals completed will be documented and reported by the District in the annual CEDS updates. Depending on available information, documentation may include: type of goal, number of jobs created, number and types of investment and changes in the economic condition of the region.

In some cases, a regional approach may be more feasible for certain goals. The lack of ability for counties to provide matching funds for grants is one instance where a collaborative effort could be beneficial. In those instances, the District will work with regional planners to ensure continuity between all organizations.

The District will continually monitor progress of each county and provide assistance as needed. Progress will be reported to EDA in the CEDS update. Adjustments will be made as county resources, funding and needs change. Every five years, the District will work with community and local leaders to prepare a new CEDS document.

The District will also monitor progress and the overall economic condition of the District by utilizing available data and documenting trends. Data will include: population, labor force, unemployment, poverty, agriculture, wages and income, education and housing.

Action/Implementation Plan

The SCEDD Board of Directors will review the CEDS at its January 2017 meeting and incorporate the CEDS as its basic Strategic Plan for the coming year. The Board will be asked to identify not less than three (3) or more than seven (7) priorities from the CEDS

to focus on during 2017. At each quarterly meeting, the Board will receive an update from each of the sub-region's regarding their progress on the identified goals and objectives. At the end of the year, a brief report will be prepared highlighting the status of each activity

At the beginning of the following year, the Board will update the CEDS, review the status of activities and provided to EDA and other interested entities. The process will be repeated each year as the Board reviews the CEDS to determine the next set of priorities and activities.

The key individuals and institutions that will be responsible for implementing and supporting these steps, in addition to the SCEDD Board of Directors are local governments, training providers, educational institutions, workforce development agencies and consortiums, utility companies, local businesses -- such as banks and realtors, Small Business Development Centers, agencies and departments in State and federal government along with other partners and stakeholders who can provide resources for economic development.

Vision Statement, Goals, Objectives

The diverse sub-regions that make up SCEDD are sustainable, rural economies connected to an urban hub that will be collaborative while promoting the unique, cultural and historical heritage of each community.

Goals

1) Advance and encourage resiliency in each of the sub-regions and local economies.

Objective: Strategically assess challenges and develop solutions

Objective: Reinvent by repurposing assets and resources

Objective: Authenticate experiences to transform local economies

2) Promote learning opportunities throughout the sub-regions.

Objective: Host a minimum of two learning “field trips” in communities throughout the region

Objective: Use learning experiences to document and promote the region for economic development via social, written and broadcast media.

3) Conduct outreach to key partners – legislative, business, education and workforce, foundations

Objective: Compile a list of key partners by May 1, 2017

Objective: Partners and stakeholders identified will be invited to all future meetings

Evaluation Framework

How are we doing? What can we do better? By applying the SWOT Analysis. It cascades from the strategic direction and action plan.

-performance measures are identified to evaluate the progress of activities in achieving the vision, goals, and objectives.

-performance measures go beyond job creation to address linkages to other important factors, such as conditions the region needs to reverse or create, and what regional assets can be leveraged

Economic Resilience

*Drivers of Resiliency-quality of life: investing in natural amenities and place making; downtown historic districts; industry diversity; education and health care; community leadership; transportation

*Key Hurdles: housing availability and supply; labor market; youth and family retention; smart growth; We are still hearing planning and zone regulations (building departments) are difficult and the process is long.

*Economic metrics: population; age demographics; employment and industries; concentration; industry groups; employment growth rates; value added; educational attainment; assets.

*From the recently released study “Rural Economic Resiliency in Colorado” from the Governor’s Office

Steady State Initiatives – *The ability to recover, withstand and avoid economic shock.*

- ❖ Transportation – On the plains of Colorado transportation becomes one of the basic industries that supports the overall economic health of the District. Colorado Department of Transportation has provided a list of project that will be completed over the next ten years. These projects are listed below with the applicable sub-region and cost.

The Upper Arkansas sub-region’s sector partnership is undergoing a transportation study to determine the capacity to offer alternative modes of transportation through the sub-region. A total of \$10,000 has been allocated toward the study, which will be completed by July 1, 2017.

Although all sub-regions participate in the State’s Transportation Planning, many sub-regions lack the personnel to develop these transportation studies. The

District will work with these sub-regions to find funding for studies by end of year 2018.

Regional Priority Projects

- South Central sub-region \$1,614,140
- Southeast sub-region \$1,250,000

Faster Safety Projects

- South Central sub-region \$1,300,000
- Southeast sub-region \$1,500,000

Highway Safety Improvement Program Projects

- Upper Arkansas sub-region \$2,150,000

Transportation Alternatives Program

- South Central sub-region \$375,000
- Southeast sub-region \$500,000
- Pueblo sub-region \$1,712,293

Surface Treatment

- Upper Arkansas sub-region \$5,050,000
- South Central sub-region \$4,625,000
- Southeast sub-region \$4,450,000
- Pueblo sub-region \$8,550,000

Bridge Asset Management

- Upper Arkansas sub-region \$156,515
- Southeast sub-region \$2,617,488
- Pueblo sub-region \$156,229

- ❖ Energy – As it has been said, “Energy runs the world!” The available energy in the District, specifically in the South Central, Southeast, and Pueblo sub-regions needs to be enhanced and stabilized. As each sub-region attempts to diversify their economic portfolio, the District is finding that it is difficult to increase megawattage. In addition, providers have been mandated by the State to integrate renewable energies, which is challenging.

Working within the sub-regions, the District will host collaborative meetings with existing energy providers, renewable providers, industry and economic development to determine what transmission studies should be completed in order to plan for increasing power availability and locating funding sources to

assist in the studies. These meetings will begin in the fall of 2017 and continue until complete.

- ❖ Workforce – A key issue that has emerged in the State is creating “career pathways” for secondary and post-secondary students that align with key or emerging industries. With its five community colleges and a university working in partnership with the Small Business Development Centers (SBDC) and local economic development organizations, the District is actively engaged in preparing the workforce for tomorrow. As further evidence of this effort, Sector Partnerships – Manufacturing, Healthcare and Tourism and Outdoor Recreation – are focusing on K-12 “grow your own” workforce development.

The District and Colorado Workforce Development will continue to be key in the planning effort to train current and future workforces. The Southeast sub-region in partnership with manufacturers has been successful in implementing “See The Change” – teaching physics in middle school – across five intermediate schools in Otero County. According to teachers in the East Otero School District, there has been a positive change in how students work together, their thought processes and ability to solve problems.

- ❖ Broadband – The ability to use the internet is not a luxury any longer. However, there are gaps and lack of up/down speeds across the District. In order to protect families, homes, businesses, community and counties, it is imperative that broadband be available and redundant.

Most of the District has accomplished or are in the midst of broadband strategic plans at a cost of \$45,000 to \$60,000. Once these plans are complete, the District will work with the sub-regions to locate funding and assist in the implementation phase. The goal is to have all sub-region strategic plans completed by 2019 with at least half of the sub-regions involved with implementation by 2025.

- ❖ Resiliency Study – The District has 13 counties within the State. Eight of these counties are on the south and southeastern plains. Most of these counties have a small foundation or a one-or-two-person economic development office. By working through the CEDS process, it became apparent that these smaller counties need to participate in a resiliency study in order to mitigate “shock

waves". The Southeast and South Central sub-divisions have survived the closure or relocation of several large industries, but they are not thriving.

The District will assist the membership counties in finding funding and completing resiliency studies over the next five year.

Responsive Initiatives: *The capability to respond to the region's recovery needs.*

Every state, county, city, community and borough have a police force, fire department and hospital that prepares for the unthinkable incident that would require them to work as a team to "save" their population, water supply, homes, and structures. These teams meet regularly in order to stay coordinated and trained. Unfortunately, the downsizing or closure of an employer is not approached in the same manner.

The Upper Arkansas and South Central sub-regions were devastated by the closure of mining operations and the Southeast sub-region lost three of their largest employers in less than a one year period. These economic losses resulted in home foreclosures, business closures, and out-migration of the population. The "trial by fire" method of being prepared was extremely difficult.

Using the template of the Emergency Management or pre-Disaster Mitigation Planning the District will work with each sub-region to identify and convene stakeholders to being working towards a Pre-Economic Disaster Mitigation Plan. The goal is to have a plan for each sub-region by 2020.