

2021 CEDS Strengths

Agriculture and Ranching

The agriculture and ranching industries are a strength across all 13 counties within SCEDD. Agriculture and ranching comprise approximately 50% of the economy in the sub-regions of South Central and Southeastern Plains. In 2020, agriculture and ranching contributed up to \$275 million of the region's Gross Domestic Product. This industry is integral to the rich heritage of the region. The Arkansas River headwaters feed most of the region with irrigation water that is the lifeline of this industry. Periodic drought conditions over the past few years threaten this industry. Investments in water storage, irrigation, and other water conservation strategies are needed.

The COVID-19 pandemic, coupled with drought conditions, created economic shocks to important food supply chains. Workers in this industry continued their essential work to ensure grocery shelves could remain stocked during the pandemic.

Key investments in collection and transportation should be considered a priority for the next five years. Investments in grain elevators and storage will allow farmers to ensure adequate quantities are available to food processors. Roads and rail infrastructure are vital infrastructure priorities. Ensuring access to funding for this infrastructure is a major priority to ensure supply chains do not experience future disruptions. Investment in small businesses that service equipment (the workforce has become more mechanized) will be important. Also, there is a need for expansion in aggregate and gravel pits to assist this industry.



Feedlot, McClave, Bent County

Meat processing for the ranching industry is a major priority over the next five years. This was an identified need from the ranching community throughout the thirteen-county region. It is estimated that the region could absorb up to three additional medium scale processing facilities to serve ranchers and farmers.

Ranch and agricultural lands provide important habitat and water preservation throughout the region. These lands are continuing to see pressure from the growing urban interface throughout the region. Preservation of agricultural lands and water rights continue to be a priority to protect this industry into the future.

Public Lands

All 13 counties identified public lands as a strength. As discussed [under-in](#) Chapter 5 Regions, there are numerous National Forests/Grasslands, BLM land, State Parks/wildlife areas, National

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Monuments, and National Historic sites throughout the sub-region. The district-sub-region receives Payment in Lieu of Taxes (PILT) for 2,309,384 acres of land. For many counties, these are significant federal funds and help local governments carry out such vital services as firefighting and police protection, construction of public schools and roads, and search-and-rescue operations.

These lands are important to agriculture and the ranching industries for access to water and grazing lands. Timber and mineral extraction, on public lands managed by the U.S. Forest Service and BLM, are also important industries throughout the sub-region on public lands mainly managed by the US Forest Service and BLM-region. There are active extraction operations throughout the Upper Arkansas and South-Central sub-regions that rely on public lands.

These lands also provide a broad spectrum of tourism and recreational activities, including water sports, fishing, hunting, hiking, mountaineering/climbing, skiing, mountain biking, photography, and more. Large reservoirs contribute to important public lands in the Southeastern Plains sub-region.

Tourism, Recreation, the Arts, and Culture

Tourism, recreation, the arts, and culture were identified as a strength throughout all thirteen-13 counties in the within SCEDD-region. The abundance of public land throughout the region-district invites and supports a strong recreation and tourism strong economies.

The 13 counties of the district are divided into four tourism regions: Rockies Playground, Pikes Peak Wonders, Canyons and Plains, and the edge of the Mystic San Luis Valley. The district has three scenic Byways, including Highway of Legends, Santa Fe Trail, and Collegiate Peaks. There is are one welcome centers in Trinidad. There are two ports of entry located at Trinidad and the other in Lamar.

The importance of arts-related activities in economic development has been highlighted in studies of employment, delivery of nonprofit services and productivity of the artists themselves in many disciplines. Dance, film, theater, music, galleries, art schools and the visual arts are celebrated in

southern Colorado communities. Two Colorado Creative Districts are found within the district SCEDD and more are in progress. These districts are assisted by the State Office of Economic Development and International Trade (OEDIT). Museums are another draw to the region. Three state history museums are in the district and dozens of private- and government-owned facilities entities exist. Tourism continues to be a driving force in downtown redevelopment.



Community theatre production, La Veta, Huerfano County

Renewable Energy and Extraction Industries

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Large scale renewable energy development is growing in southern Colorado, where the largest wind farms in the state are located. Solar farms are under construction. Mining, oil, and gas are also a vital part of the economy, especially in some counties. Long, closed coal mines are being reopened to extract metallurgical coal, which will be shipped to Asia and other areas to be used in the steel industry. Hundreds of new jobs are projected. A limited amount of timber extraction is ongoing, primarily on private land.

Southeastern Plains (Baca, Crowley, Kiowa, Prowers)

Large scale wind and solar projects have been developed in Baca and Prowers Counties. Crowley County has seen investments in solar. Kiowa County is seeing exploration on sites in the northeastern portions of the County. Strategic investments in transmission lines will continue to open additional opportunity for the expansion of these industries. Attention must be paid to ensure the cost burden for the development of these projects does not fall on the local communities as this power is transferred into the grid for larger cities along the front range.

There are several major natural gas pipelines, ~~that are used~~ ~~for~~ ~~for~~ transport, across the eastern portions of this sub-region, but little extraction.

Upper Arkansas (Custer, Fremont, Lake)

Mineral extraction has historically been a major industry ~~across~~ ~~within~~ this sub-region. Climax Mine continues to be the largest employer in Lake County. Mineral extraction in Fremont County continues to see growth. Exploration of Silver has begun again in Custer County. Extraction industries provide significant property tax revenues ~~in~~ ~~for~~ this sub-region.

Large scale rRenewable energy production ~~at large scale~~ is not yet deployed in the sub-region; however, many communities have achieved small-scale solar farms to reduce fossil-fuel energy. These continue to help the sub-region achieve state and federal renewable energy and efficiency goals.

South Central (Huerfano and Las Animas)

The Bush Wind Farm is the largest in this sub-region. The reopening of the New Elk Mine is e ~~reopening is~~ slated to become the single, largest employer in Las Animas County, with additional spinoff industries to support this operation. Las Animas and Huerfano have seen growth in the wind industry. Additional exploration is occurring within the sub-region for gases, such as helium, ~~in the region~~. There is ongoing oil and gas production and extraction in Las Animas County.

Pueblo County

EVRAZ North America will soon power their steel mill with a new 300 Mw solar project – Bighorn Solar. The project will install 750,000 solar panels across 1,600 acres of land- mostly occupied by the steel mill, but also private landowners and the City of Pueblo. EVRAZ Pueblo will be the first steel mill in North America to rely on solar power. The renewable energy will be used to recycle scrap metal into new, clean steel including the most sustainable rail in the world.

Colorado State University Pueblo recently completed 23-acre solar array allowed the university to officially switch all academic buildings to solar power. The campus is the first in the state to reach net zero efficiency.

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Pueblo County is planning a 200 MW solar project – Turkey Creek Solar. The project will be supported by Colorado Electric’s (Black Hills) Renewable Advantage program

In addition, CSU Pueblo has become 100% powered by renewable energy. CS Wind founded as Vestas in 2009, is located in the County and manufactures towers for wind turbines. There are plans to develop solar farms and possibly wind farms. The City of Pueblo has committed to being 100% green in its energy use by 2035.

Favorable Cost of Living Relative to the Rest of Colorado

The SCEDD region has significant opportunities to attract and retain talent that are not currently being fully capitalized upon. Remote work was has been a growing trend for some time and has skyrocketed during the COVID-19 era. With larger metro areas largely shut down under strict COVID-19 measures and the costs of housing continuing to rise, talent with the ability to work remotely is migrating from the big cities. Opportunities have opened-up for those communities that have the right assets and the ability to market themselves as an ideal place to live while working remotely. The SCEDD service arearegion is well positioned to take advantage of this, with its lower cost of living, abundance of sunshine, natural beauty, and outdoor recreation opportunities.

The cost of living in the SCEDD service arearegion is lower than the state average. However, living in rural areas means longer travel distances for goods and services. Increased gas prices can have some impact on commuters, as well as the agricultural industry. High housing costs have made some regions, especially the Upper Arkansas, unattainable for local workforces. Recently, the COVID-19 pandemic resulted in significantly more workers being able to work remotely and usually from home. Pueblo’s housing market is still more affordable than other front range cities.

Southeastern Plains (Baca, Bent, Crowley, Kiowa, Otero, and Prowers)

Lower costs of living have made this sub-region attractive tofor remote workers leaving the large, populated areas of Colorado Springs and Pueblo. Low taxes and lower prices foref goods and services gives this sub-region a competitive advantage in the potential attraction of new industries and large business developments. In recent years, hHousing shortages have made relocation difficult. this area difficult to relocate to in recent years.

Upper Arkansas (Custer, Lake, Chaffee, and Fremont)

Lake and Chaffee Counties were experiencing higher housing prices before the pandemic and housing costs are continuing to rise. rising more now. However, these two counties also boast a higher level of services, which are -desired by the growing population. Larger stores and chain stores are here.

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Better broadband in the cities is available. Fremont County's mild climate, abundance of recreation, ~~and~~ outdoor activities, and access to nearby Pueblo creates a positive mix for those wanting to leave big cities but still have the comfort and services available. Custer County is one of the remaining attainable ~~housing~~ markets in the ~~sub~~-region. However, this is quickly changing and ~~its~~ remains to be seen whether this market will be able to maintain reasonable housing prices to promote the development of an active workforce. The Towns of Silver Cliff and Westcliffe have room to grow and will play an important role in the development of housing for the regional workforce over the next five years. Overall, the cost of living in ~~this~~ Custer County is lower than surrounding areas.



South Central (Huerfano and Las Animas)

Although prices have ~~recently~~ risen considerably ~~recently~~, this ~~sub~~-region's housing market remains a viable and affordable alternative to its counterparts north along the I-25 corridor. Goods and services remain affordable and allow for a competitive job ~~creation~~ market. The pandemic has seen increased interest in ~~Front Range~~ city residents moving to the area. The cost of living is generally lower than areas along the Front Range.

Presence of Higher Ed

Pueblo Community College and Colorado State University ~~-Pueblo~~, located in Pueblo County, are major assets to SCEDD. Their satellite campuses offer additional educational workforce resources ~~in~~ ~~to~~ the ~~district~~ ~~region~~. Not all communities, the size of Pueblo, have access to both a two-year college and a four-year university. However, every county ~~in the~~ ~~within~~ SCEDD ~~region~~ is served by ~~this~~ ~~the~~ higher education ~~regional~~ asset, ~~as well as~~; ~~by one or more of the following~~: Otero College, Lamar Community College, Colorado Mountain College, and Trinidad State College.

There ~~is~~ ~~was~~ a general sentiment that both the community colleges and universities could strengthen their relationships and provide more tailored programming to ~~meet~~ the needs of ~~local~~ industry ~~within~~ the ~~district~~ ~~region~~. The health care industry ~~yes~~ continues to tap into resources offered though these institutions ~~to~~ ~~for~~ training, ~~as well as~~ ~~future employees~~, ~~and hire~~. Additionally, employers and ~~some~~ area high schools yearn for ~~regional~~ higher education institutions ~~in the~~ ~~region~~ to do a better job ~~at~~ ~~in~~ exposing students to ~~blue-collar jobs~~ ~~that have a strong presence within the district and~~ ~~the training required to meet the needs of these~~



Lamar Junior College, Lamar, Prowers County

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~~employers, with skilled trades and other types of blue-collar jobs that have a strong presence in the SCEDD.~~ In several SCEDD counties such programs are being developed jointly with high schools and community colleges, opening access to trade programs and specific local job training.

Chemical and Plastic Manufacturing

Chemical Manufacturing is another industry with mixed opportunity ~~for the SCEDD within SCEDD region.~~ Pueblo County has the access to water, rail, raw materials, and skilled workforce necessary for this industry. Many businesses in the ~~c~~Chemical ~~m~~Manufacturing industry have ~~executed~~ pivoted to supply the necessary sanitation and safety products needed to combat COVID-19. As a group, the ~~p~~Plastics ~~m~~Manufacturing sub-sectors in the region show somewhat lower growth potential than the other higher priority sub-sectors, ~~but~~sectors ~~but~~ should still be considered when promoting the access to an abundance of water ~~that the within the Pueblo sub-region, has.~~

South Central (Huerfano)

~~Chacama~~ Manufacturing is the largest, private employer in Huerfano County, ~~and produces personal care and cleaning products.~~ They produce a product line of -ToxicFree® clinical strength skin and personal care products. ~~They their own product lines and are contract with ed by several national brands for production of products such as soaps, lotions, and body care items. This firm is expanding and will soon be able to double its capacity.~~

Pueblo County

Pueblo is already home to several such businesses. There are opportunities to tie the Chemical Manufacturing Industry into the Hemp-Related Industries cluster, especially as it relates to the Adhesive Manufacturing and the Medicinal and Botanical Manufacturing sub-sectors. Pueblo also has large warehouse space available for this kind of manufacturing both in the city and the county. The U.S. U.S. Army Pueblo Chemical Depot aka PuebloPlex is especially suited for this kind of expansion.

Rail Access

Railroads and rail access vary greatly throughout ~~the the District SCEDD region.~~ Several counties have dormant or no access to rail service currently including Bent, Chaffee, Crowley, and Custer Counties. Some areas have both passenger (limited) and freight rail services, while most have one or the other. Several railways are closed, in financial trouble, and/or are in a state of flux. There are renewed plans to improve and expand statewide passenger rail, especially along the front range to Pueblo and south to Trinidad and La Junta.

In 2017, the Colorado Southwest Chief Commission was legislatively repurposed to become the Southwest Chief & Front Range Passenger Rail Commission. The Commission was tasked with facilitating implementation and operation of future passenger rail along the Front Range and Interstate 25. This proposed \$5 billion project would provide passenger rail service from Ft. Collins to Pueblo. This is slated to move forward with a ballot funding initiative in 2021. Further, the Transportation Technology Center Inc. in northeast Pueblo is primed to assist with this passenger rail expansion and be a regional industry for the state.

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Amtrak has three stations *with limited service* in southern Colorado: Trinidad, Lamar, and La Junta. The Lamar station also serves as the area's Visitors Center. In the late 2000s, the South-Central Council of Governments (~~South-Central COG~~ ~~— serving—~~ ~~— serving~~ Las Animas and Huerfano Counties ~~—~~), ~~which~~ which operates a local bus service, decided to pursue funding for a new multimodal transportation center to serve intercity passenger rail and local, regional, and intercity buses. Owned by the city but operated and maintained by the South-Central COG, it would contain a waiting area with seating, restrooms, and ticket booths at the Trinidad platform.

Since 1998, the Royal Gorge Route Railroad has been a vital part of tourism in Cañon City. The train runs year-round. Similarly, Leadville is home to a tourist train - the Leadville Colorado and Southern Railroad. A proposal is currently under review to bring back a rail service between Leadville and Salida in Lake and Chaffee Counties. Both passenger and freight services are being considered. The line would connect Eagle County over Tennessee Pass to Leadville and on to Cañon City and beyond to Pueblo. An associated passenger service train is proposed, which would run from Minturn to Pueblo. A tourist train that serviced La Veta, in Huerfano County, recently closed and is in foreclosure. That rail line also continues to provide freight services, ~~which are still operational~~.

Finally, rail serves as the regional transportation backbone of goods in and out of the SCEDD district. Multiple spurs service areas in the Southeastern plains and the South Central sub-regions for the transport of agricultural goods and raw minerals, such as coal from the New Elk Mine. Additional access ~~and access~~ is needed in Huerfano County around Walsenburg. There is strong potential to improve and expand freight service in the SCEDD region district by shipping coal, livestock/meat, and other products to southern ports in Houston and other areas.

Lower Cost of Labor than Balance of State

In general, the cost of labor is lower ~~in the~~ throughout ~~SCEDD region compared to~~ ~~than~~ the rest of Colorado and many western states. This is a competitive advantage for larger companies looking for new places to locate. However, throughout the public meetings and the SWOT process this was met with healthy skepticism. This strength has been eroded as exponential increases in housing and land costs are causing issues with workforce attraction and retention.

Rising property costs and wage inflation are creating a more competitive hiring market. The COVID-19 federal unemployment benefits also have caused many delays to the workforce reentering the labor force because comparable wages in the region were perceived to be lower than the unemployment benefit.

Favorable Climate

Southern Colorado's 300 days of sunshine make the district attractive to many businesses and employees. With elevations ranging from above 14,000' to below 4,000', the SCEDD region district has the highest mountain peak and the second lowest river valley. The climate and temperatures can vary widely in the SCEDD region district. However, even when wetter weather occurs it leads to

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powder skiing, mountain wildflowers, white water rafting, and greener pastures. The ~~district~~region's temperate climate allows for a thriving agricultural community, tourism, and a robust outdoor recreation.



Corrections Economy

In 2020, the corrections economy accounted for more than 3,400 jobs in six counties. These counties include Bent, Chaffee, Crowley, Fremont, Las Animas, and Pueblo. Fremont County is the largest employer with more than 2,200 employees. The correction economy offers stable, ~~and~~ high paying jobs with benefits. Huerfano County has an available private prison facility available for reuse.

Criminal justice reforms have threatened several private correctional facilities with closure. However, through regional collaboration, these facilities have remained open and continue to provide stable employment for the counties in which they are located. The closure of any of these facilities would have ~~serve severe~~ economic implications ~~to within~~ the communities where they are located.

Lifestyle/Outdoors

At every public meeting ~~for~~ the SWOT analysis, each county boasted about lifestyle opportunities their workforce enjoys. The lifestyle and the ability to access amazing, world-class recreation opportunities are major perks of living in the ~~district~~region.

The Upper Arkansas, South Central, and Pueblo all have mountains and access to large areas of public lands. The ~~sub-regions~~ ~~are~~ home to several craft beverage producers. The Southeastern Plains has ~~ve~~ numerous reservoirs and ~~large areas of~~ grasslands, state wildlife areas, hunting, fishing, and trail systems. The local school districts have plenty of recreational sports and after school programming for the youth throughout the ~~sub-regions~~.

Lower Tax Burden

Colorado is ~~nationally~~ ranked ~~nationally~~ in the top ten ~~of for~~ the lowest taxes in the country. Residential property taxes are low. However, the Gallagher Amendment creates higher commercial property taxes. Sales taxes and property taxes fund many local projects, school districts, and special districts. The Taxpayer Bill of Rights (TABOR) requires local governments to vote on debt service for major public projects or bonds. Enterprise ~~ffunds~~, for most of the water and wastewater systems, require users to fund the systems and improvements. Low interest loans ~~for these systems~~ exist for many of these systems and assist with keeping fees at acceptable levels.

Carrizo Canyon, Baca County

Regional Transportation

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There are three important types of regional transportation systems across the ~~region~~~~district~~--airports, rail, and ~~regional~~ bus service.

Regional airports allow many counties access for shipping, ~~and~~ private charter or regional flights. These facilities also assist with medical flights and other emergency responses as needed. Many of these airports have refueling stations. ~~and~~ ~~The US~~ military uses many of these facilities for training and research development. Pueblo has limited commercial airline flights.

Rail service, as discussed above, is essential for the movement of large quantities of goods in and out of the ~~region~~~~district~~. ~~Further,~~ the current passenger rail service provides regional connections. The potential expansion of passenger rail along the I-25 corridor ~~could~~~~would~~ open many of the smaller communities to regional connections to the ~~larger~~ front range communities.

~~Although bus services are~~ available throughout the ~~region~~~~district~~, expansion of regional bus service continues to be a priority. Medical rides are an essential service that's provided in many communities to their residents across the district use in order to access health care locally as well as for appointments in Pueblo, ~~or~~ Colorado Springs or Denver. ~~Regional bus service continues to be a priority for expansion throughout the region.~~

Pueblo has had bus service since 1949, and the city-owned Pueblo Transit has operated since 1971. In addition to local service, Pueblo transit offers regional service through the state's Bustang program on the Colorado-Pueblo-Lamar route, and the Pueblo-~~to~~ Alamosa route, with stops in western Pueblo County, Fremont County, and Chafee County before heading south to Alamosa.

Government Collaboration

Local government collaboration between county and municipal governments continues to be a major strength across the ~~district~~~~region~~. The COVID-19 pandemic required swift, coordinated, and immediate responses by local authorities to protect community members. Regional collaboration allowed rescue funds and assistance to be directed as needed through the local governments. Focused recovery efforts led by local leaderships have allowed the ~~region~~~~district~~ to begin to rebuild stronger.

Each of the sub-regions of SCEDD has an active Council of Government, including COGS in the Upper Arkansas, South Central, and Southeastern Plains. (The Pueblo Area Council of Governments is primarily an urban transportation COG.) It is within the COGS and SCEDD where ~~in~~ which much of the regional collaboration occurs. Action 22, a non-partisan lobbying group that works on behalf of southern Colorado, is also a source of collaboration.

SCEDD's CEDS process is another part of that collaboration. The CEDS process has created a powerful, regional tool to discuss large issues that affect the region. The creation of project, policy, and program implementation lists for inclusion in this CEDS update has allow partnerships for large-scale efforts, such as broadband ~~expansion~~~~pansion~~, workforce housing development, ~~expansion of~~ access to capital development, infrastructure planning, and lobbying for policy changes at the state level.

