



## Custer County Community Economic Development Assessment Report April 30 – May 2, 2007 *Community Action Plan Scheduled for May 23, 2007*

### Session I

9:15 a.m. Business and Community Development  
Team Leader – Stephanie Steffens - Assessment Team Leader

### **Strengths**

- Enhanced rural enterprise zone
- Upper Arkansas Area Development Corporation Revolving Loan Fund
- Second home owners are an economic driver in the county
- Community understands the need to work within the bounds of infrastructure capacity
- The hard winter weather illustrated the value of shopping locally
- Jones theater: Performing arts center is growing
- Cliff Lanes and Club America, High School facilities
- Opportunities for home based/location neutral employment
- Chamber of commerce has a quality visitor's guide and website
- Current study of resources, infrastructure inventory, etc.
- Lodging tax has been approved for the ballot by the Board of County Commissioners
- Local Residential Contractors, strong building trades
- High School building trades programs

### **Weaknesses**

- Restricted opportunities for signage by the cities and the state
- Various business and economic development groups are not coordinating and/or communicating as well as they could
- Who isn't in the room that should be heard?
  - Municipal Elected officials
  - Youth, HS or College
  - Basic labor force
  - 21 churches and none attending
  - restaurants
  - sub division owners
  - School leadership
- Downhill and uphill, retail leakage
- Second homeowners do not contribute to year round economic stability

- Residents need to be encouraged to shop locally
- Community perception that merchants cater to tourism and do not provide enough products for residents
- Perception of limited youth activity opportunities
- Lack of Continuing education opportunities –
- Housing for the workforce
- Developing a sustainable business plan is difficult due to the seasonal economy (4 months of business to pay 12 months of expenses)
- Significant lack of qualified and available workforce, particularly with service industry
- Chamber of commerce is under funded
- Transport of products to market
- Community perception of high cost of commercial properties limiting long term success of new businesses

### **Opportunities**

- EDUCATION for the community on the importance of the businesses of Custer County
- Lodging tax (for tourism)
- The 5 year comprehensive plan is due to be updated
- Identify issues with existing useable commercial properties
- Measurable goals, to determine the impact of sales tax growth
- Various business and economic development groups should participate in monthly or quarterly round table update meetings
- Educate the residents on the availability of goods and services offered locally
- To work with local businesses to expand products offered and hours of operation
- Potential to partner with CSU Pueblo on continuing education opportunities
- Consider the opportunities for non-profit camps to collect appropriate occupancy taxes
- Educate the community on taxes vs. market value. You can't have it both ways!
- Encourage collaboration between local businesses to utilize local products
- Offer of the theater to provide their outside wall as a business directory
- Development of recreation based businesses
- Development of local food markets, food sheds to protect agriculture

### **Threats**

- Ranchers are in danger to stay to stay alive
- Large number of tax exempt businesses operating in the county
- Gallagher Amendment (See below)

Gallagher Amendment - 101!

- ♦ Property Tax Assessments (Excluding Sales Tax Collections)
  - ♦ Resident vs. Business  
Assume a \$150,000 Building at 50 mils (Ave.)
    - Residential = 7.96% Assessed Valuation
    - Business = 29.00% Assessed Valuation
  - ♦ Therefore:
    - ♦ Residential AV = \$ 11,940\* Tax = \$ 597
    - ♦ Business AV = \$ 43,500\* Tax = \$2,175

### **Recommendations:**

- Organizations such as the Custer County Economic Development Committee, the Chamber of Commerce and Sustainable Ways should collaborate
- Develop a shop local campaign
- Research opportunities for small business development
- Consider the opportunities for non-profit camps to collect appropriate occupancy taxes

- Take advantage of opportunities to promote businesses to tourists and residents
- Evaluate current sign regulations and consider modifying to better promote local businesses
- Recognize the value of existing recreational facilities and develop programs to more fully utilize those facilities
- Recognize and encourage the arts as an economic driver for the local economy
- Develop a competitive analysis of commercial properties and the ability to sustain successful businesses

**Available Resources  
(Not all-inclusive)**

- ◆ Colorado Office of Economic Development;  
Business Development Reps, SBDC
- ◆ Economic Developers' Council of Colorado;
- ◆ Colorado Rural Development Council;
- ◆ Colorado Department of Local Affairs;
- ◆ CSU Extension Offices;
- ◆ Upper Arkansas Area Council of Governments;
- ◆ Workforce Centers
- ◆ Colorado Rural Workforce Consortium;
- ◆ USDA Rural Development.

**Session II**

11:00 a.m.

Tourism and Marketing

Team Leader – Ellen Olson, Chaffee County ED, Chaffee/Lake SBDC

**Strengths**

- Visitors center on Main Street
- Volunteer base is strong
- Strong arts community
- Clear understanding that they do not want to be a ski area destination
- Expansion of the Oktoberfest event
- There are high quality websites in the county
- Realtors and real estate web sites attract a lot of people to the county...
- Positive word of mouth marketing
- Sons and Brothers musical group gives Custer County national exposure
- Effective visitor guide is published and distributed
- Partner with Action 22 and the Colorado Tourism Office on marketing efforts
- Fremont and Pueblo Counties market many Custer County attractions
- Horn Creek, Hermit Basin, and the Lutheran Camps expose a number of people to Custer County
- Many visitors come seeking family history and existing heritage tourism sites
- Very well established and supported heritage tourism sites in the county

**Weaknesses**

- Stores are closed on Sundays
- Custer County towns are not on maps
- Visitor's Center needs longer hours of operation
- Signage is poor due to restrictive codes
- San Isabel has limited access to wilderness areas
- Very limited RV friendly sites
- Lack of water resources to expand RV Sites
- Infrastructure can be maxed out during the summer months
- Few marketing and planned events outside of summer

- Perception by some people that tourism will ruin everything
- Under utilization of recreation opportunities by locals
- Lack of “night life” contributing to the loss of young professionals
- Reliance on volunteer base to coordinate and staff activities and events
- Statewide lack of knowledge about the existence of Custer County
- General tourism experience is confusion/lack of information
- Lack of welcome signs to the communities and county
- Visitors see the community as “one block of Main Street”

## **Opportunities**

- Agricultural tourism as value added business,
  - Birding would expand spring and fall
  - Wind festival (kites)
  - Outfitting guided tours
  - snowmobiling
- Promotion of existing attractions through organized activities, such as Jeep tours
- Explore opportunities to participate in on visitor guides and tourism publications
- Wet Mountain area is an untapped resource
- Focus marketing efforts on the shoulder season
- Lodging tax will increase funding for marketing
- Pursue opportunities for a regional trail system, review existing trail systems plans of Westcliffe and Silver Cliff.
- Activities discussed for promotion of the area include:
  1. Motor cycle rally
  2. Sporting based events
- Marketing day trips for soldiers at Fort Carson with expansion into Colorado Springs
- Market to Denver area families of year round schools students (some block of students are always on a vacation schedule)
- Link websites throughout the county
- Capitalize and market Custer County’s location to near by attractions, (21 miles to the Sand Dunes)
- Custer County has an opportunity to attract the right balance in the amount and type of tourism
- Gas stations, post office and hotels are the first impact by new arrivals should review hospitality training and community education
- Partner with surrounding counties in regional marketing
- Citizens need to be heard concerning the next US Forest Service plan currently in process
- There needs to be a coordinating group for focused volunteerism
- Work with potential concessionaires and USFS regarding operation of recreational areas threatened by closure
- Develop a pull out and kiosk/welcome information at entrances to the valley, “stop and soak up the view”
- Build partnerships with Horn Creek, Hermit Basin, and the Lutheran Camps to increase visitor patronage of local businesses
- Explore the need for a pedestrian safe downtown (Truck route)
- Develop a 3 -3 – Sleep program for visitors to Custer County
- Development of RV Dump Site

## **Threats**

- Changing K-12 school schedules
- Lack of water in the county
- Pueblo office of USFS, intention to close selected sites due to lack of operational funding

## **Recommendations:**

- Focus marketing efforts toward expansion of shoulder season including agricultural tourism, promotion of existing attraction, expanded use of the Wet Mountain area and expanded events
- Promote and encourage passage of the county lodging tax
- Educate the community on the importance of the “3 – 3 – Sleep” concept
- Participate in the 15-year US Forest Service plan to protect access to recreational opportunities
- Develop a pull out and kiosk/welcome information at entrances to the valley, “stop and soak up the view”
- Pursue opportunities for a regional trail system, review existing trail systems plans of Westcliffe and Silver Cliff
- Develop itineraries and market day trips for soldiers and families at Fort Carson with expansion into Colorado Springs
- Explore potential to market to Front Range communities
- Link websites throughout the county
- Develop a regional marketing plan to include nearby attractions and include hospitality training, such as Priority One through the Colorado Workforce Center
- Build partnerships with Horn Creek, Hermit Basin, and the Lutheran Camps to increase visitor patronage of local businesses
- Explore the need for a pedestrian safe downtown (Truck route)
- Expand hours of the visitors center to include late afternoons and Sundays
- Explore opportunities to provide regular shuttle service between camps and towns.
- Identify and work with Gateway communities; San Isabel, Rye, Wetmore.

## **Session III**

1:15 p.m.

Natural Resources – Water Retention and Agriculture

Team Leader – Clarke D. Becker, Colorado Rural Development Council

## **Strengths**

- Water and wastewater are utilization 50% of current capacity within municipalities
- Cooperation/communication is getting better between key players (i.e. Upper Arkansas Water Conservancy District, Round Mountain, Water Users (Ag), County and municipality staff and officials)
- Increased cooperation with surrounding counties
- 20,000 acres of land in conservation easements, most include the water rights
- Community recognizes that water needs to be available to agriculture and commercial interests
- Agriculture
  1. way of life
  2. key to sustainability
  3. large percentage of revenue to the county
  4. protects watersheds
  5. preserves lands
  6. draw for tourism
  7. preserves wildlife
  8. open space
- Large land speculators leasing land back to productive agriculture

- Value-added agriculture
  1. organic and all-natural
  2. ag-tourism
    - hunting
    - birding

### **Weaknesses**

- Misinformation concerning water issues in Custer County
- Cost of capital expansion for water and sewer
- Uncertainty of capacity of aquifers in the valley
- Value of water rights could motivate ranchers to sell those rights
- Water-consumptive commercial applications are not an option
- Concern that augmentation plans won't actually replenish water supplies
- No existing county-wide water augmentation plan
- Heirs often cannot afford to operate family ranch
- Large land speculators using land as an investment weakens the likely hood of long-term use of land in agriculture
- Lack of strong septic guidelines affecting water quality in San Isabel

### **Opportunities**

- Possible development of reservoirs
- Colorado Water Trust exists but is not active
- Develop water augmentation plan to cover the entire valley
- Educate community on tools available for preservation of agriculturally productive land
- Educate the public on water and land transactions
- Reconsider agricultural classification of 35-acre properties
- Capitalization of by-products from forest floor (small diameter wood and biomass)
- Use updating master plan to strengthen septic requirements
- Have land, water rights, etc. to develop 500-acre foot reservoir. Working with Upper Arkansas to gather \$1 million development fee.

### **Threats**

- Cost of water storage
- High price and impact of water courts
- Return of the death tax

### **Recommendations:**

- Support efforts to explore opportunities to develop additional reservoirs in Custer County
- Utilize community leadership seminars to educate the community on water and land transactions
- Develop the process and stakeholders for updating the County Master Plan
- Use the update of the master plan to strengthen septic system regulations
- Use the update of the master plan to consider the possibility of agricultural re-classification for 35-acre properties
- Educate the community on tools available for preservation of agricultural land
- Develop a water augmentation plan to cover the entire county
- Identify cost sharing possibilities for water and waste water infrastructure expansion

### **Session IV**

3:00 p.m.      Human Resources - 30 attendees  
 Team Leader – Judy Lohnes, UAACOG

## **Strengths**

- Custer County is in the “Heart of the Rockies” Region for Rural Philanthropy Days to be held in fall of 2008
- Unemployment in CC is 4.8% compared to 5.0% statewide and 5.8% regionally
- Veterans represent a highly trained and educated potential workforce
- Strong volunteer base in the county
- Strong EMS, Healthcare, Search and Rescue, sheriff, etc
- Medical facilities include: therapy, family practice and urgent care
- Custer Emergency Services meets monthly to coordinate and improve efforts
- Community Emergency Response Teams are in place
- Inter agency coordination of Health and Human Service agencies within and with surrounding counties
- Good transit services to medical care due to the Rotary Van
- Sustainable Ways: assist the communities consider number of jobs and impact to the community is very positive. [www.sustainableways.org](http://www.sustainableways.org)
- Custer County established the “Code of the West”

## **Weaknesses**

- Lack of affordable workforce housing, particularly in the summer
- High real estate prices limit full utilizations of available housing programs
- Lack of county wide building code
- Construction costs are high, \$150 per square foot
- Three mobile home parks, typically full but substandard
- Can’t pay a livable wage and stay in business...
- Wages aren’t great and it is seasonal and part time
- Basic training for service sector employees is needed
- Workforce itself is limited
- Lack of workforce in the Summer, not enough income to pay the workforce in the winter
- Unemployment in CC is 4.8% compared to 5.0% statewide and 5.8% regionally
- Lack of basic life skills impact the quality of the workforce
- Strong reliance on volunteers for critical services in the county
- Need to get more young adult volunteers due to age and burnout of current volunteers
- Health care system unable to use trauma room due to lack of staffing
- Lack any continuing education opportunities in the county

## **Opportunities**

- Building codes can be developed to meet the needs of Custer County residents
- Community land trust model for affordable housing
- Capitalize on eco building to make home ownership more affordable
- Tap the veteran community for mentoring young people
- Doctors (Interns) coming to the clinic on weekends.
- Specialists coming to the community periodically
- Partnerships with CSU – Pueblo and Pueblo Community College to develop programs in the county
- Partnership among the community, CSU-Pueblo and Horn Creek to provide work study opportunities for continuing education programs

## **Threats**

- Federal low interest housing loan regulations are complicated and are not practical for rural Colorado

## **Recommendations:**

- The county should conduct a public process with stakeholders to develop appropriate building codes for the county
- Research potential for utilization of the Community Land Trust Model for affordable housing
- Coordinate non profits in Custer County to develop the necessary collaboration to maximize the benefits of Rural Philanthropy Days
- Mobilize the veteran and retired community to mentor young people and small business owners
- Establish a partnership with the CSU – Pueblo and Pueblo Community College to develop programs for Custer County
- Engage the community to work with CSU-Pueblo and Horn Creek to provide work study opportunities for continuing educations programs
- Utilize the housing rehabilitation program available through UAACOG. (very low interest loans to low income homeowners.)
- Explore opportunities for higher density residential development, such as townhouses, fourplex concepts
- Research ways to reduce reliance on volunteers for critical services
- Work with UAACOG to apply for rental rehabilitation special project grant through the Colorado Division of Housing
- Organizations such as the Custer County Economic Development Committee, the Chamber of Commerce and Sustainable Ways should collaborate

### **General Recommendations:**

- Explore leadership seminars conducted by Canon City for use in Custer County
- Develop a system to recruit, coordinate and out reach for community volunteerism
- Celebrate your successes!!!
- Communicate, communicate, communicate!

#### ***Collaboration:***

The act of *working together* with others to *achieve a common goal!*