

DECEMBER 2018 • COLORADO MUNICIPAL LEAGUE

COLORADO MUNICIPALITIES



ECONOMIC DEVELOPMENT

THE ROLE OF MUNICIPALITIES IN ECONOMIC DEVELOPMENT,
TRAVELING FOR UNIQUE QUALITIES, FIVE WAYS TO ATTRACT OUTDOORISTS,
EMPOWERING SMALL BUSINESSES, BUILDING OPPORTUNITIES, AND MORE

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On the cover: Longhorn drive in downtown Castle Rock.

Correction: In the October 2018 issue of Colorado Municipalities magazine, a picture in "A Sample of Cities & Towns through a Clerk's Eyes" should have identified as Greenwood Village, not Grand Junction. Our apologies for the error.

COLORADO MUNICIPALITIES

ABOUT SOME OF OUR CONTRIBUTORS



Matt Ashby is a trailblazer in community development. After 15 years in local government as a planning director, he has translated his experience into helping communities succeed as a consultant for Ayres Associates.



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Ben Muldrow is a graphic designer and marketing guru with his company Artett-Muldrow and Associates, and has pioneered the art of place branding to help towns and regions promote their stories.



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As director of the Colorado Tourism Office since December 2015, **Cathy Ritter** leads a \$20 million initiative to maximize the potential of tourism in a state that generated nearly \$21 billion in economic impact and attracted nearly 85 million visitors during 2017. With the support of the statewide tourism industry, she initiated development of the Colorado Tourism Roadmap, a strategic plan identifying opportunities to build the state's competitive edge while promoting sustainable tourism and inspiring travelers to try less-visited destinations.



Mark Rodman serves as chief preservation programs officer for History Colorado, overseeing the Office of Archaeology and Historic Preservation and the State Historical Fund, as well as working with Certified Local Government. He has been operations manager for a \$50 million tax credit rehabilitation project and served as executive director of Colorado Preservation Inc., director of operations for Preservation North Carolina, and operations manager for Wachovia Bank.

THE ROLE OF MUNICIPALITIES IN ECONOMIC DEVELOPMENT

Introduction

Municipalities play a unique and vital role in local economic growth. While economic development has been and will continue to be about primary job creation, investment, and revenue growth, the way in which these outcomes are being achieved is changing.

In addition, municipalities are being asked to do more and more as both federal and state governments remain engaged in political gridlock. Even where federal and state leaders can find bipartisan solutions, their role in economic development is strikingly different than the role of municipalities. At the federal level, there is no formal economic development policy; instead it is a patchwork of monetary, fiscal, tax, trade, and welfare policies. States primarily focus on corporate recruitment, promotion, limited technical assistance to communities, and some business incentives and financial assistance.

It is at the municipal level where implementation occurs, local vision is realized, and face-to-face interactions take place. It is locally where the needs of businesses, places, and people intersect and are addressed. Cities and towns are, after all, about community, not just commodities. It is at the municipal level where investment meets land use, job

creation meets housing, and revenue meets service delivery. Certainly, we partner with state governments and use federal tools such as tax incentives, but ultimately our work is the real work of making things happen.

For all these reasons, it is essential that municipalities understand their role in economic development, have fully formed ideas about their economic future with a clear community vision, and develop well defined strategies to achieve that vision. In addition, it is important to have contingency plans when that envisioned economic future is challenged by change.

What Is Economic Development and How Has It Been Changing?

Economic development can be defined as a program, group of policies, or set of activities that seek to improve the economic well-being and quality of life for a community by creating and/or retaining jobs that facilitate growth and provide a stable tax base. (International Economic Development Council, 2015).

Importantly, however, the way in which we achieve economic development objectives has been changing, growing, and expanding over roughly the past three decades. Until the early 1990s, economic development was

largely thought of and practiced as an activity that primarily served business interests through new capital recruitment and retention efforts. An imbedded assumption in this approach was that the labor necessary to fully realize new capital investment was completely mobile and would simply move to wherever new jobs were being created.

However, through a combination of changing needs in labor — the need for a more highly skilled labor force, larger shifts in workforce demographics, the aging out of skilled labor — it became clear by the mid-90s that those places that would be successful in attracting and retaining new capital investment would be those places that could attract and retain highly skilled labor. That is, in order to be successful in sustaining economic growth, communities have to be successful in creating places where skilled workers want to live and in making investments in human capital for people to be successful. Again, the intersection of place, people and business — or what we commonly call community.

To be more explicit, a place could offer the lowest of low cost operating environments, but if workers do not want to live there and cannot thrive there, it will be extremely difficult to attract new business. Therefore, today's practice of economic



development must necessarily include activities, skills, and resources to holistically serve the interests of business, places, and people. Quality of life must be redefined as quality of place; that is, not just the bestowed blessings of sunshine and beautiful vistas, but also deliberate public or public/private investments that create quality places. In this sense then, the full array of municipal activities can be brought to bear in driving local economic growth, and economic development activities once thought limited to business development can be integrated with things such as housing, education, cultural, and recreational strategies. The specifics of the integration of activities will be largely determined by local vision and goals.

Further Defining the Role of Municipalities

While the federal and state governments set a context and may provide resources, it is at the local level where creating communities takes place. Here, those large programs and initiatives are refined and tailored to the businesses and people that they are meant to assist, and where places are developed that reflect local culture and values.

Municipalities certainly have the option of simply providing infrastructure and a set of local

land use regulations and seeing what the market delivers. However, this rarely produces outcomes consistent with the local vision. Today's cities and towns have the opportunity to move from that passive role to an active one as we seek to shape our community in specific ways while also adapting to changing revenues and technologies and simultaneously facing demands for providing both existing and new services in new ways. Because economic developers have been trained to address change, they can prove themselves to be effective leaders in the implementation of municipal vision and the integration of strategies, addressing not only those that are business-based such as developer/business recruitment, but also people-based strategies that address housing, education, and workforce development, and place-based strategies focusing resources into targeted areas and leveraging them for greater impact.

The role of the economic developer can change depending on the specific needs of a given community. As the director of economic development for the City of Westminster, I have the unique honor of leading a team that is charged with business development, developer recruitment, affordable housing development, transit-oriented redevelopment, redevelopment of a former regional mall site into a new

downtown, and guiding redevelopment in the city's oldest historic district. At the same time, in my role as former chair of the Economic Development Council of Colorado, I fully recognize the diversity of municipalities across Colorado, the unique challenges they face, and therefore, the choices they must make in defining a vision and structure for their future.

The role of cities and towns will never and should never be solely about economic development, but the role of municipalities and the role of economic development are more strongly aligned than they have ever been. Economic development will always be about job creation, but an ever-increasing number of economic developers are necessarily concerned about and engaged in a broad range of municipal activities that impact where workers live, the places where they spend their wages, the ability of people to fully realize their human potential, and the quality of the communities they are shaping. Municipalities are stewards of the community vision and therefore uniquely positioned to realize broader community objectives by identifying and leveraging this alignment between businesses, places and people, and the larger community in which they all meet. When this intersection occurs, a town of any size has the potential to thrive.

TRAVELING FOR UNIQUE QUALITIES

COLORADO REGIONS ONCE known by points on a compass now have been identified by the Colorado Tourism Office (CTO) with names reflecting the unique qualities that set them apart — not just from any other place in Colorado, but from any other place in the world.

With a unanimous vote from the Colorado Tourism Board, a 15-month effort to shape and brand eight new Colorado travel regions has come to fruition.

The home of the San Juan Mountains and two of the planet’s most important tabletop mountains, Mesa Verde and the Grand Mesa, is now known as Mountains & Mesas. Formerly known as Southwest.

That part of Colorado dominated by one of the most massive and famous mountains in the United States — and including the stunning landforms of Garden of the Gods, the Royal Gorge, and headwaters of the Arkansas River besides — is now Pikes Peak Wonders. Formerly known as South Central.

And those 10 rolling counties crossed by migrating Native peoples, bison herds, the Pony Express, and legions of covered wagons, and filled today with both Centennial and wind farms, old-timey museums, hunting, and birding is now the Pioneering Plains. It is a name that speaks not only to its past, but to the persevering spirit that is grown from its history. Formerly known as Northeast.

It is not much of a stretch to understand how new names such as these will help travelers — and even

Coloradans — understand the magnificent experiences that await in every corner of our remarkable state.

But inspiring traveler awareness, important as that is, is only part of what is hoped will grow from the labor of shaping and naming new travel regions. By identifying the travel clusters in each part of our state, getting to the essence of each and then naming it, the CTO is creating meaningful platforms for industry collaboration and for development of new traveler experiences.

Two years ago, when the CTO held listening sessions across the state to develop the Colorado Tourism Roadmap, one of the most persistent messages was that those geographically regions created in a desperate time for Colorado tourism were doing little either to inspire travelers or support regional collaborations.

Just four months after the Colorado Tourism Board’s adoption of the Roadmap in March 2017, CTO formed the 11-member Regional Branding Task Force, co-chaired by Vail Valley Partnership CEO Chris Romer and CTO Directory Cathy Ritter. The job of the task force was to share guidance and input — and as it turned out, do a whole lot of work — to ensure a thoughtful, participatory, and most importantly, consumer- and research-driven approach, to identifying new Colorado travel regions for decades to come.

One of this group’s best outcomes was building an RFP process that generated more than 50 thick

proposals and then selecting “Destination Think!” from a field of six top-notch finalists.

The Think! team — led by Chief Strategist William Bakker, widely recognized as a global tourism expert, and Senior Strategist Sarah Prud’homme, who became a human compendium of Colorado lore — ultimately analyzed nearly 19,000 online conversations, fielded industry and consumer research, and collectively traveled about 1,500 miles across the state to engage some 800 Coloradans in 20 workshops in 11 destinations.

The breadth and depth of their work is captured in a beautifully produced, 89-page report, which also provides insightful positioning statements and brand identities for each of the new regions. It also offers a new regional map — with fuzzy boundaries, as a reminder that regional lines are not walls, but concepts, and that collaboration can take place within and across each region.

The CTO task force members will be sitting down for one final assignment, to brainstorm how to inspire passion and fandom for the new regional brands. When the naming and branding is right, people fall in love with it, embrace it, and share it proudly. The way so many have fallen in love with our Colorado flag.

With names such as The Great West, Canyons & Plains, Rockies Playground, Mystic San Luis Valley, Denver & Cities of the Rockies, not to mention the places they encompass, CTO hopes to inspire even more such love.





THE POINTY END OF THE PICKAXE

GOLDEN NUGGETS FOR BETTER COMMUNICATIONS



SIXTEEN COMMUNITIES, EIGHT weeks, and unmatched enthusiasm — phenomenal momentum has built up for telling great stories about Main Street thanks to an innovative project launched by the Colorado Department of Local Affairs' (DOLA) Main Street Program. The program offers support for community-led downtown revitalization, helping communities thrive by providing a customizable framework to focus efforts, energy, and resources to create a more vibrant community.

Since the Economic Impact & Value Toolkit kicked off in Spring 2018 to help tackle the issue of effective communication, the Pickaxe team traveled more than 4,130 road-miles to diligently document the people, projects, and places across Colorado Main Street's network to highlight the best and brightest our communities have to offer.

For many folks in community development roles, conveying best practices and successes can be a daunting task that falls squarely on the "when I have time I really ought to" list. However, compiling great stories assisted the 20 local Main Street programs across the state to communicate the benefits of their grassroots economic revitalization approach. The approach is easily

transferable to local government entities and can provide a framework for creating, establishing, and sustaining a long-term plan.

Digging into Colorado's roots inspired the team to brand an effort that was a bit more creative. Taking the term "toolkit" to heart, the project moniker draws from tools historically used by Colorado pioneers to claim their stake and sink roots in the Centennial State. Chipping away at granite to expose a golden nugget, or cracking the hardpan to reveal the fertile soil below, the pickaxe was essential for prospecting miners and homesteading ranchers. DOLA is using Project Pickaxe to focus the spotlight on the efforts that are generating notable results on Main Street in communities across Colorado.

The process is relevant and replicable across many stretches of local government. In today's world of social media, getting a message across clearly is more about quality versus quantity. Tailoring communications to the way each target audience prefers to receive information is critical. Capturing the narrative while delivering a motivating message must happen quickly, or the audience will lose interest. This concept guided the Pickaxe process, which revolved around intensive, one-day workshops,

which included five key elements (described below), lots of exploration, and a decent amount of hustle from the team.

Each workshop began with a **BrandScore** worksheet, allowing participants to identify existing marketing and communication tactics and brand awareness. Considering the tools each community is using, the team provided follow-up recommendations to help Main Street programs leverage their brand equity more effectively.

Tailored communications are the focus of the **Prime5** exercise. This element identifies five primary audiences that are frequently targeted, along with exploring their core values and preferred communication methods. The traditional audiences are government, owners, donors, volunteers, and the public. Deliberate framing of success stories can serve to highlight the results that matter most to the targeted audiences. Elected officials typically are interested in jobs, tax revenues, and other statistical data. The public and visitors want to hear what is new and exciting in town. Investors want to hear a story about how local partners helped to support a recent redevelopment project. Molding messages to fit the audiences is key

to determining the most effective communication strategy.

People enjoy a good story, and this is where the **Main Changers** take flight. This stage identifies storylines that focus on the great people, projects, and places that illustrate big wins and capture the imagination. Community development is an adventure; telling these stories is a powerful way of conveying success and inspiring action.

These discussions at the workshops helped the Pickaxe team craft communications recommendations. Along with the delivery of a **Targeted10** slide decks to help local communities tell their stories, the **Roadmap** templates enable communities to effectively map out their communication plans, which includes delivery timelines. The impressive tools, along with a photo library, round out the toolkit delivered to each Main Street community.

What are a few of the key lessons learned to date from the Pickaxe tour? Here are three initial guidelines to effectively communicate your message:

1 Pick the Right Tool for the Job.

While a pickaxe can be helpful in some instances, sometimes a little finesse is needed to avoid damaging the gold nugget. Similarly, understanding the audience is key to

tailoring the message to its unique values and needs. For example, creating a social media post or short video may be more effective than a press release. Bottom line — think about customizing the approach to match the needs of the folks you are targeting.

2 Find Your Swiss Army Knife.

Efficiency is key. Find stories that can be tailored to impact different audiences in an effective manner to minimize effort and maximize value. Most communities have unique businesses or attractions that can be highlighted; with a little fine-tuning, telling stories about these establishments can demonstrate value for other audiences as well.

- For the public: Locals and tourists want to hear about new and interesting places to visit.
- For a business: When economic growth is highlighted, the owner feel supported and appreciated.
- For government: Supporting economic growth is key to generating tax revenue, which means money is being spent in the community.

A great story about a local project can result in three distinct audiences being provided with its own clear message that results in increased positivity toward the local government players involved.

3 Be the Disco Ball.

Tell the story about someone else's success. Shine the spotlight on businesses, projects, and events that show a progressive culture of change. Ensure these stories do not make it appear as though the city or town is taking credit for others' successes; rather, serve as the "disco ball" to reflect the light from the positive endeavors. This method will not only promote individual projects and businesses, but the municipality also shares in the success as the caretaker of the great things that are happening in town.

One of the best benefits of the Pickaxe Workshops was the ability to focus time and effort on communications. Often a lost art, creating a message typically is rushed and may not effectively target audiences. Just like strategic planning retreats (which every community should regularly conduct), a communications workshop can be just the ticket to help elevate your ability to demonstrate positive achievements.

Colorado's Main Street communities are pioneers. They are reinventing the traditional path to success and are determined to make a difference. For more information on the Pickaxe Project or to find out how your community can join the downtown grassroots revival, contact Gayle Langely at Colorado Main Street (gayle.langley@state.co.us).

LOCAL ARTS INVESTMENT

By Haley Littleton, Breckenridge communications and marketing coordinator

MORE THAN A DECADE AGO, INVESTED LOCALS AND ELECTED OFFICIALS HAD A VISION TO CREATE AN artistic hub that would distinguish Breckenridge as not only a great place to ski but also a vibrant cultural destination. This vision spurred the development of the Breckenridge Arts District. Recognized nationally, the Breckenridge Arts District is a hub for creative experience, bringing together studios, galleries, performance spaces, historic landmarks, public art, restaurants, cafes, and other creative businesses that animate and populate a vibrant cultural corridor in downtown Breckenridge.

The Breckenridge Arts District was a multi-year process to create a community asset that reflected the Town vision of preserving cultural resources. The goal was to create a place where art, architecture, and cultural events and facilities improve the community experience for residents and visitors, offer diverse and affordable programming, and promote Breckenridge as a year-round cultural center for the region. The Arts District Masterplan was started in 2002 but was accelerated in 2012 and 2013 to finish the cornerstone project: a base camp for all things art in Breckenridge.

The district is a one-acre campus of 1800s-era mining buildings that have been repurposed into studios and accommodations for artists, who come to Breckenridge both domestically and internationally. The shared arts space serves eight artists in residence and four exhibiting artists each year who work with local businesses to create work that is unique to Breckenridge, its history, and its residents.

The Town of Breckenridge created a partner organization, Breckenridge Creative Arts (BCA), to oversee its public arts collection and arts resources, as well as to create programming around the shared arts district. It is a noncommercial entity funded through the Town of Breckenridge and grants. Because of this, BCA retains the flexibility and freedom to create programming that serves the community's interest and needs. The Town of Breckenridge feels that this is a pioneering and innovative model when it comes to community investment into the arts and the creation of a comprehensive arts program. By investing in the Breckenridge Arts District and its programming, the Town keeps classes and events accessible and retains a thriving artistic community.

In 2017, BCA hosted more than 600,000 participants, 778 arts classes, 240 open studios, 3,800-plus open studio students, and many free community art events. Classes incorporate skills such as woodworking, metalsmithing, and blacksmithing as a reference to Breckenridge's long history of craftspeople and local interest.



By creating a hub for the arts through the shared spaces of the Breckenridge Arts District, the Town of Breckenridge has seen the flourishing of creative events and options across Town that serve both guests and locals alike. It has been a smart economic development but also a positive for the wellbeing of the community. Participation in classes, events, and seminars in the district has become intergenerational and brings a wide range of demographics to Breckenridge to participate. The Town of Breckenridge believes it has created a model for what local municipal arts can look like, and is proud of the continued efforts to highlight arts in this historic and vibrant community.

A SAMPLING OF COLORADO CITIES & TOWNS WEEK

Thanks to everyone who sent us photos of their Colorado Cities & Towns Week activities. We could not fit them all in, but we appreciate the selection to choose from!

The February issue will focus on affordable housing. To submit a photo for consideration for the cover, please send it to tstoffel@cml.org by Jan. 1.





FIVE WAYS TO ATTRACT OUTDOORISTS TO YOUR TOWN

Colorado, as a whole, is a magnet for outdoor enthusiasts.

But only a handful of the state's towns and cities have national or international name-recognition among outdoor tourists and transplants.

What is their secret?

STRIKE UP A CONVERSATION WITH a local in Colorado, and you are likely to hear some variation of the same story: "I came here to ski bum/ mountain bike/fly fish/rock climb for the season. That was 5/10/50 years ago."

The story is especially ubiquitous in places such as Golden, Salida, Buena Vista, Grand Junction, and Breckenridge, which all have a way of getting their hooks into visitors. In some cases, those visitors put down roots. In others, they develop an abiding loyalty that brings them — and their families and friends — back year after year.

There is not a place inside Colorado's borders that does not have proximity to world-class terrain for one type of outdoor enthusiast or another. So why are some towns or cities on every outdoorist's bucket list while others remain obscure or underestimated?

The Outdoor Industry Association's (OIA) Recreation Economy Report (outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf) sheds some light on that question, and a deep dive into the state- and Congressional district-level data reveals some potential answers. Statewide, the Colorado Outdoor Recreation Economy (outdoorindustry.org/state/colorado)

generates \$28 billion in consumer spending and supports 229,000 jobs. What is clear is that if your town is not targeting recreation-minded tourists and transplants, you're missing out on a big and ever-growing segment of the travel and tourism market.

Here are five key things — with supporting case-study examples from Colorado and around the country — that a municipality can do not only to attract more recreation tourism dollars but also to foster a healthy community and a sustainable economy.

1 INVEST in outdoor recreation infrastructure that either creates new opportunities or highlights and accentuates your town's existing unique outdoor assets.

Fruita, on Colorado's Western Slope, sits among some of the state's best mountain biking terrain. The Town recently invested \$4.3 million in a project to extend its iconic Kokopelli Trail, and that was just one of its many infrastructure investments.

Fruita Mayor Lori Buck is a native who can personally attest to the enormous growth and appeal that outdoor recreation investment has afforded her community. Buck points out that when she was growing up, Fruita was simply a bedroom community to Grand

Trolling Pueblo Reservoir. Photo by Holger Jensen, courtesy of Colorado Parks and Wildlife.

Junction. “You drove home and closed your garage door. There were not a lot of options for goods or services,” she says. “All of the outdoor stuff was there. The BLM hasn’t changed, but the value of it has changed. It’s now the high seasons of spring and fall that carry businesses through.”

Thanks to tourism attracted by the region’s outdoor recreation infrastructure, summer of 2017 was the first time Buck can recall in Fruita’s history that local sales tax did not dip.

The Town also started permitting the popular Horse Thief area of the Colorado River for overnight stays. The number of visitors to Colorado National Monument, which spans Fruita and Grand Junction, has notched record numbers of visitors over the past two years.

“We are doing some great things,” Buck says, adding that the outdoor recreation investments in Fruita are also not incongruous to the town’s strong extractive industry.

“We would like [Fruita to] transition out of the natural gas sector, but ... we never will. It will always be an important part of what we do ... just not the only part,” she says. “This outdoor movement is geared toward building a strong economy. Oil and gas is so volatile. We’re looking for more stable things to add. We’ll always support [extraction], but it’s nice not to depend on it.”

(Read the full case study, “Colorado’s Western Slope Is Making All the Right Moves,” at outdoorindustry.org/article/colorados-western-slope-making-right-moves.)

2 BRAND your outdoorist identity with a tagline.

Acquired or self-appointed, taglines help convey a destination’s identity in a concise package. When embraced, a tagline can be your greatest marketing tool by encapsulating your unique culture in a catchy moniker. Consider City in a Park (Bellevue, Wash.) or Where Yee-Haw Meets Olé (Eagle Pass, Tex.).

Or what about Ski Town U.S.A.? Steamboat Springs sits nearly two hours north of Colorado’s major ski-feeder artery, Interstate 70, in a corner of the state without the high-alpine panoramas typically associated with world-class ski destinations. Yet the town successfully branded its unique Americana-meets-Alpine character, putting its deeply rooted cowboy culture and its skiing legacy on equal footing.

Still, who said you need rocky slopes, glacier-fed rapids, or even adrenaline sports to attract outdoorists? Not the folks of McCook, Neb., a prairie town that has capitalized on its governor’s recent proclamation that Nebraska is “The Best Turkey Hunting Destination in the U.S.”

In the 8,000-person town of McCook, the main occupation is agriculture, but the main recreation is hunting — everything from turkey to furbearers to big-game, as well as waterfowl and fish.

The effort to boost the state’s support of its hunting and fishing economy paid off. “It’s pretty full around here during open season for turkey,” says Alicia Hardin, wildlife division administrator at the Nebraska Game and Parks Commission, whose family is from McCook. “A lot of relationships get established between the hunters and some of the smaller hotels and motels. Soon, you have got a family hunting tradition started.”

What follows is the growth of the tourism industry. “In the last two years I have seen five gun or other outdoor-sports shops open around town,” says Carol Schlegel, tourism director for McCook/Red Willow County. “And it is not just hunting and fishing; long-distance cyclists come through here, as do bikers on their way to Sturgis.”

What’s more, it is not just Nebraskan or American tourists. Steven Lytle, a fishing guide in McCook, has garnered a portfolio of clients from as far away as Poland, Japan, New Zealand, and Germany. “I stay busy year-round,” Lytle says. “There are a lot of quality



An ice climber during Ouray’s annual Ice Climbing Festival. Photo by Matt Inden/Miles, courtesy of the Colorado Tourism Office.

fish here, and a lot of different species to attract people. I just pick out the best lake for the time of year and the present condition in order to keep clients coming back.”

(Read “Outdoor Recreation in Nebraska is For The Birds” at outdoorindustry.org/article/outdoor-recreation-nebraska-birds.)

3 Consider **EVENT MARKETING** to promote recreation assets.

There may be no better case study for the power of event marketing than the Leadville 100 Trail Race. Founded and long-reliant almost exclusively on the mining industry, Leadville experienced an economic and identity crisis when the Climax molybdenum mine abruptly closed in 1983. According to an article (www.rei.com/blog/run/how-the-leadville-100-saved-a-struggling-mining-town) in REI’s *Adventure Journal*, “Overnight, the town of Leadville was unemployed. Three-thousand people out of a population of 5,000 were without work.” One of those people was Ken Chlouber.

The REI article goes on:

All the typical ills that accompany unemployment began to plague Leadville. The bars filled up with jobless miners. Families grew hungry or packed up and left. Not only had the town lost its primary source of revenue, but community identity was also at stake in a place literally named for that silvery, molybdenum ore pulled from deep within the earth.

Leadville knew it needed to find a way to save itself, and fast. Community leaders put their heads together in search of a way to draw in tourists. The idea of a fair was floated. Or a 10K race. They knew they needed something big—something that would convince people to stay the night in town, rent hotels and buy food.

That’s when Chlouber had an idea, one potentially grand enough to put Leadville on the map: ‘What about a 100-mile race?’

Several people, a prominent hospital administrator included, objected. Who would want to run 100 miles? It seemed dangerous. What if someone died?

‘Well, then we will be famous, won’t we?’” responded Chlouber.

The rest, as they say, is history. The event has given the town more than a new identity, it regularly brings in upwards of \$15 million in revenue.

4 **BUILD A COALITION** of stakeholder businesses.

A town, city, or region’s economy is not a zero-sum game. Grand Junction — in the heart of Colorado’s Grand Valley — understands that.

“The thing we find compelling about the activities going on locally is that they’re able to continue that natural-resource-based economy while adding a more intentional focus on outdoor recreation,” said Cailin O’Brien-Feeney, the former director of state and local policy with Outdoor Industry Association who now heads up the Oregon Office of Outdoor Recreation. “Over time, oil and gas goes through these ebbs and flows, and a local economy that is mostly based on that type of activity is on the whim of it. Outdoor recreation is becoming more accepted as a financial resource on the Western Slope. It’s not a case of one thing taking the place of another.”

When the oil and gas industry is down, much of the community’s spirit falls with it, says Sarah Shrader, co-founder of Bonsai Design, a Grand Junction-based business that designs aerial adventure courses. Shrader is also the founder Grand Junction’s Outdoor Recreation Coalition, a vested interest group of recreation, tourism and extraction-related businesses that collaborates to insulate the region against economic volatility.



A couple plans their next adventure near a high-mountain lake in southwestern Colorado. Photo by Denise Chambers/Miles, courtesy of the Colorado Tourism Office.

"[Bonsai is] a manufacturer looking for skilled workers with construction and design experience who don't mind travel. They have a lot of the skills we need. Honestly it's one of the reasons we stay here. The other piece of that infrastructure is there are a lot of welders, fabricators, engineering firms used by oil and gas and now we're using them," Shrader says. "I would say this community in general is making a transition to realizing we have an abundance of natural assets that we are now promoting. They weren't thinking of it as much until facing hard times when commodity pricing falls."

One of the key ingredients to Grand Junction's success integrating outdoor recreation as an economic driver is the community's collaborative spirit.

"I want the extraction industry to do well," Shrader says. "One of the great things about this community is we have a lot of collaboration." Shrader notes that the oil-and-gas industry recently wrote a letter of support for the development of Palisade Plunge, a mountain biking trail that would further bolster Grand Junction's recreation infrastructure. "The more we work together, the more we'll have success in our community."

(Read "Colorado's Western Slope Is Making All the Right Moves" at outdoorindustry.org/article/colorados-western-slope-making-right-moves)

5 Actively **RECRUIT** outdoor businesses.

Nothing does more for your outdoor street, er, trail cred than a respected outdoor business setting up shop in your town. Thanks to the exposure that came with the 2002 Winter Olympic Games, Ogden, Utah, was internationally recognized for its natural beauty and proximity to recreation opportunities. City planners heard a call-to-action. Current Mayor and former Salt Lake Olympic Committee Member Mike Caldwell is credited with refocusing Ogden's economy toward outdoor recreation.

The mission was to reinvent the city as a center for outdoor recreation business and to draw the outdoor industry to the city. Caldwell and city leadership helped lure Amer Sports (notable brands: Salomon, Atomic, Arc'Teryx) to Ogden. The company set up shop in the renovated American Can Company building downtown.

Ogden's leadership continued to target and court other ski manufacturers, who — enticed by the city's proximity to premiere product-

testing locations — followed Amer's lead. The Ogden leadership further defined its recruitment process when it approached the bike industry. Quality Bicycle Products was the first company to move, thanks in large part to the efforts of Steve Fishburn, the city's business recruitment relations manager. Ogden sold itself as an affordable, centrally located location for companies to develop partner synergies and economy of scale. A Spandex-attired Caldwell led Taiwanese bike industry business leaders on the Scenic Tour of Utah to introduce them to the area's spectacular scenery. Several companies responded by opening U.S. offices in Ogden.

By tightly focusing on the needs of outdoor rec companies (cost of real estate, logistical convenience and product-testing opportunities) and improving existing infrastructure (some as a result of the Olympics and some through traditional development channels), Ogden has made a very successful transition from its former glory as a railroad town to the country's leading up-and-coming business hub for outdoor companies.

(Read "Ogden Wins Gold in Race To the Top" at outdoorindustry.org/article/ogden-wins-gold-in-race-to-the-top.)



Keeping an eye out for the migratory sand hill crane near Monte Vista.
Photo by Matt Inden/Miles, courtesy of the Colorado Tourism Office.

MAKING THE MOST OF YOUR SURROUNDINGS

By Michael Varnum, SteamPlant Event Center/Scout Hut director and Salida Creative District project manager

SALIDA WAS ESTABLISHED IN 1880 BY THE DENVER AND RIO GRANDE RAILROAD AND QUICKLY BECAME the hub of a prosperous mining and agricultural region. The last commercial train passed through town in 1999 signaling the end of an era.

Downtown was virtually abandoned due to the closing of the mines in the area and loss of the railroad, when U.S. Highway 50 was “moved,” and Salida’s economy was hit hard in the 1970s and 1980s. However, the high vacancy rate provided an opportunity to rent or purchase housing and studio space downtown, setting the stage for Salida’s vibrant arts community. In 2012, Salida’s downtown historic district was designated one of the first Creative Districts in Colorado (salidacreatives.com).

Since 1990, grassroots volunteers have been active partners with the City of Salida, agencies, groups, and individuals in creating safe, scenic, historic, and recreational trails in the area. Early trail projects were developed by the Salida Trail System Committee, which helped create the Monarch Spur Rail Trail along the valley floor, forming the backbone of a 10.5-mile mountain trail system.

Salida Mountain Trails (SMT, salidamountaintrails.org) is responsible for building and maintaining the many trails surrounding Salida. Established in 2003 when the Bureau of Land Management initiated its travel management plan, SMT and its volunteers, recognizing the potential for world-class trails, partnered with the federal land managers to create more than 25 miles of superb trails for every skill level.

At the same time, the local economic development corporation was working to secure downtown Salida as the headquarters of Colorado’s newest state park — the Arkansas Headwaters Recreation Area (AHRA). Every year commercial river outfitters guide guests down the upper sections of the river, offering everything from scenic float trips to Class V rafting adventures. Approximately 200,000 people take raft tours, and another 250,000 or so raft the river on private trips. AHRA estimates \$73,075,052 economic impact from activities on the Arkansas River

The Arkansas River is the most commercially rafted river in North America and all of that activity is managed through AHRA. Its property, formerly an auto junk yard, is owned by the City of Salida, and the State of Colorado is 20 years into a 99-year rent-free lease.

Since 1949, Salida has been the home of FlbArk, America’s oldest white water boating event, occurring annually in June. This festival includes boating and music events and draws thousands to Salida.

A dramatic shift began in the early 21st century as the Arkansas River became the focal point of downtown Salida. Efforts were spearheaded by a local nonprofit and supported by the City, with support from grants such as the a \$489,614 Great Outdoors Colorado (GOCO) Path to Parks, and funding from Heart of the Rockies Regional Medical Center, Trout Unlimited, SW Conservation Corp, Fishing is Fun, and community donations.



The transformation of Riverside Park and creation of a riverwalk and whitewater park continues. The Whitewater Park boasts four playholes and easy river access for boaters, swimmers, and anglers. The river area has expanded with shopping, entertainment, music, and festivals that are popular with tourists and locals alike.

Salida-area Parks, Open-space, and Trails (SPOT, salidaparksopenspacetrails.org) is responsible for the many in-town trails and pathways. Since 1990, volunteers have helped create safe, scenic, historic, and recreational nonmotorized transportation corridors in the Salida area.

Salida hosts numerous bicycling events each year, including the Vapor Trail 125, a 125-mile ultra-endurance loop through Colorado’s backcountry; the Banana Belt ride, a 26-mile route that also starts and finishes in downtown Salida; and the new Salida 720, a 12-hour mountain bike race with sport and expert courses. Each September, Salida hosts BikeFest with a week-long focus on biking.

Of course, Colorado is synonymous with snow skiing. Monarch Mountain is “Salida’s Hometown Mountain,” boasting all-natural, Rocky Mountain snow, averaging 350 inches each year. Monarch is open from November to April, weather permitting.

TRAILS AS A KEY TOOL IN AN ECONOMIC TOOLBOX

By Mike Bennett, ICMA-CM, Fruita city manager

TRAILS ARE A KEY TO ECONOMIC DEVELOPMENT IN FRUITA. PEOPLE FLOCK TO THIS ADVENTURE TOWN to mountain bike the Kokopelli or 18 Road trails, hike to Rattlesnake Arches, horseback-ride in McInnis Canyons National Conservation Area, raft/SUP the Colorado River, explore the Colorado National Monument, camp in one of two state parks, or walk on trails to view remnants of dinosaurs.

Thirteen thousand residents call Fruita home and one million people visit this Western Slope community each year, but a tourist town Fruita is not. “We don’t want to be Moab” is a common phrase heard in Fruita, referring to the fact that Fruita is a community first, where visitors still feel like locals and locals play like visitors. Whether you mountain bike or not, if you live in Fruita, sales tax revenues paid by swarms of mountain bikers (or other outdoor enthusiasts) enable the City to provide high quality core services to residents while creating a growing market for local businesses.

As an organization, the City of Fruita’s goals are summed up by devoting its resources, time, and efforts to providing exceptional core services and positively impacting the quality of place, economic health, and lifestyle of the community. The Fruita City Council defined these strategic priorities while defining the community’s vision and directing the professional staff to determine how to achieve the vision. Trail projects have proven to please locals and attract new visitors, businesses and residents alike. Trails are focused on connecting people to schools, businesses, neighborhoods, public facilities, neighboring communities, and recreation areas outside of Fruita.

In 2016, the City constructed an integral 1.2-mile trail that connected north and south Fruita under the highway, interstate, and railroad, and over a major wash. In September, the 4.5-mile Kokopelli section of the Riverfront Trail opened, connecting Fruita to the famous Kokopelli mountain bike trailhead by way of the Fruita Business Park. The plans alone for this trail connection began catching the attention of prospective businesses.

Colorado’s first full-service cable wakeboard park opened this past summer on a City-owned lake at the business park and the largest business expansion the City has realized in many years is currently under construction.



On properties adjoining these two new trails, a new RV park is approved for construction and a public private partnership to redevelop city-owned riverfront property is underway. Residential and commercial development is also on the rise.

The City also has strengthened its partnership with the Bureau of Land Management, Colorado Plateau Mountain Bike Trail Association, and local businesses to annually combine funds to build more miles of singletrack trails and just begun master planning the North Fruita Desert mountain bike emphasis area with another grant.

In October, the City and Over the Edge co-hosted T.H.E. Trails Summit in Fruita, bringing 100 attendees representing communities and trail building professionals from 50 different destinations from across the globe all focused on trails, humanity, and experience.

In Fruita, trails truly are about connectivity and partnership while adding to the quality of place, economic health, and lifestyle of the community.

EMPOWERING SMALL BUSINESSES

THE U.S. SMALL BUSINESS Administration (SBA) has an important role in powering the American dream of entrepreneurship. As the nation's go-to resource for small business, the SBA provides counseling, capital, and contracting expertise so firms can confidently start, grow, expand, or recover. In addition to delivering traditional programs and services, the agency is also the only independent voice for small business in shaping policy and monitoring regulation,

backed by the collective power and resources of the federal government. The SBA truly makes the American dream of business ownership a reality.

You can say small business is actually big business in Colorado, with 99.5 percent of all companies in the state being small — collectively employing more than 1.1 million (or nearly half of all) Coloradans.

Not only do small businesses provide vital goods and services, employ residents, and contribute revenue essential to local government operations, they give back in countless other ways. They participate in civic events. They are philanthropists in local charitable endeavors.

They sponsor our Little Leagues! Small businesses take on these commitments and more, all while taking personal risks

and tirelessly working toward better lives for themselves and their families. They simply make Colorado towns and cities great places to live, work, and play.

Small businesses are critical economic drivers in the state. To ensure that Colorado continues to have one of the fastest growing economies in the country, we need small business to continue to thrive. The role of the SBA Colorado District Office is to catalyze and foster the sense of entrepreneurship we know exists in every corner of the Centennial State. The SBA works with a statewide network of lending partners to provide access to capital and has a vast network of resources to provide counseling to assist entrepreneurs. The SBA also opens new markets and connects small businesses with federal contracts and prepare them for international trade and export opportunities. Finally, it stands on-call, ready to provide disaster assistance in times of need.

For more than 60 years, the SBA has narrowed the credit gap. Its finance programs provide capital to rural entrepreneurs who might not otherwise qualify for conventional loans. During FY 2018, SBA approved 1,766 loans, worth more than \$885 million, to local Colorado small businesses. What is most amazing is that these 1,766 loans helped create or retain more than 17,200 jobs in both rural and urban communities.





SBA's resource partners assist new and established business owners with the training and mentoring they require to become successful and profitable. Partners include 14 Small Business Development Centers across the state, three SCORE chapters, a Women's Business Center located at Denver's Mi Casa Resource Center, and support from a regional Veterans Business Outreach Center. Together these small business resource partners, powered by SBA, make a huge impact in supporting the state's entrepreneurs.

Another way the SBA helps small firms is by offering business development to obtain certifications and build capacity to do business with the federal government. The SBA has increased its collaboration with federal agencies to broaden opportunities for small businesses to better compete and qualify for federal contracts. For the past five-plus years, the federal government has met and exceeded its goal of awarding 23 percent of its contracts to small businesses. In fact, in 2017, the federal government awarded more than 25 percent of contracts to small businesses, which represents more than \$83 billion of eligible contracting dollars. In FY 2018, the SBA office accepted more than \$400 million in contract offers and small purchases on behalf of Colorado small businesses in the 8(a) program alone. When small businesses earn federal contracts, it is a win-win for

entrepreneurs and their local communities.

The SBA also opens doors to bonding. The Surety Bond Guarantee Program helps small and emerging businesses obtain bid, performance, and payment bonds when they lack the experience or financial resources to qualify through regular channels. SBA's bond guarantee on projects up to \$10 million in size provides small and underserved businesses with increased contracting opportunities and helps maximize their bonding capacity. Nationwide, the program provided more than \$6.5 billion in contracting opportunities to more than 1,800 small businesses last year. In Colorado, the total contract value of bond guarantees was close to \$81 million! Interested small business can find more information and locate an SBA-authorized bond agent at www.sba.gov/osg.

Throughout 2018, the SBA was privileged to criss-cross the state to complement and supplement local small business development efforts, from providing ongoing programming with the economic development departments in Aurora, Denver, Lakewood, Englewood, Brighton, and Wheat Ridge; to training lenders and small businesses in Pagosa Springs, Craig, Cañon City, and Trinidad; to educational events with chambers of commerce in Alamosa, Erie, Bailey, Pueblo, Grand Junction, and Durango; to celebrating small

business success stories and promoting patronage for National Small Business Week, Small Business Saturday, and Start-Up Weeks in Boulder, Colorado Springs, Fort Collins, Loveland, and Westminster.

SBA Administrator Linda McMahon has made it her mission to make the SBA more visible and viable across the country. She knows that the key to a strong and lasting middle-class is opportunity for all. As SBA begins another federal fiscal year, it wants to thank all of the local governments throughout the state that have shown a commitment to making Colorado the best place to start and grow a small business. In 2019, the SBA wants to continue to work closely with Colorado towns, cities, and communities to ensure all have access to resources in service of local small business owners. The SBA welcomes the opportunity to learn about community efforts and to share ways the SBA Region VIII Office, the Colorado District Office, and resource partners can provide additional support to the entrepreneurs in your area. The SBA remains committed to helping all Coloradans fulfill their dreams of entrepreneurship, and looks continuing its long and successful relationship with the Colorado Municipal League and with you.

For more information on SBA's programs and services visit www.sba.gov/co or on Twitter @SBA_Colorado.

COLORADO IMPROVEMENT DISTRICTS

| | Business Improvement District (BID) | Downtown Development Authority (DDA) | Urban Renewal Authority (URA) | General Improvement District (GID) | Special Improvement District (SID) | Metropolitan District |
|---|--|---|---|--|--|---|
| Summary | Quasi-municipal organization is a subdivision of the state; all property assessed must be commercial; boundary may or may not be contiguous | Quasi-municipal corporation that is intended to halt or prevent deterioration of property values or structures in central business district | Established to eliminate blighted areas for development or redevelopment by purchasing, rehabilitating and selling land for development | Quasi-municipal corporation that is subdivision of the state; can provide a wide range of services | Assessment district that is not a subdivision of the state, nor is it separate from the municipality | Quasi-municipal corporation that is a subdivision of the state; boundary may or may not be contiguous; often used in large-scale new developments |
| Focus | Management, marketing, advocacy, economic development (can issue bonds for capital improvements.) | Real estate development, infrastructure, operations | Real estate development, rehab financing, infrastructure | Capital improvements, public facilities, maintenance | Capital improvements, infrastructure | Infrastructure finance construction and operation; can and usually does issue bonds for capital improvements |
| Formation | Approval by petition of property owners representing 50 percent of acreage and 50 percent of value of proposed district; council ordinance; TABOR election | City ordinance subject to vote by affected property owners; TABOR election | Finding of blight; Petition by 25 electors; council resolution; separate approval for projects within the authority | At least 200, or 30 percent of, whichever is less, electors of the proposed district must sign petitions; if all taxable property owners in district sign a petition, public hearing can be waived | Need petitions from property owners who will bear at least 50 percent of the cost of the improvement; ordinance forms district | Approval of service plan by city or county; petition as in GID; election |
| Assessment | Assessment or mill levy on commercial property | TIF on property and/or sales and 5 mill property tax for operations | TIF on property and/or sales tax | Property tax and income from improvements | Assessments on property | Property tax; can also collect fees and charges for services and facilities; special assessments possible |
| Pros/Cons | Very flexible entry that can provide services; can issue bonds | Ability to finance improvement and provide services; can have a mill levy and TIF | Can generate sales and/or tax increment to finance future development; can be controversial. | Only those in the district can authorize and pay for improvements; requires petition and election. | Equitable, as only those who benefit pay; difficult to form as requires election; city constructs improvements. | Very flexible for both infrastructure and operations board independence can be a concern. |
| Governance | Very flexible for infrastructure and operations; board independence can be a concern | 5- to 11-member board appointed by city council | 5- to 11-member board appointed by city council | Governing of the city is ex-officio board | City council | 5-or 7-member board elected by district voters |
| Condemn property? | No | No | Yes | Yes | No | Yes |
| Operate facilities? | Yes | Yes | Yes | Yes | No | Yes |
| Levy property tax w/ voter approval? | Yes | 5 mill property tax for operations | No, but can use TIF | Yes | No | Yes |
| Levy sales tax with voter approval? | No, but may create SID w/in BID | No, but can use sales tax TIF | No, but can use TIF | No | No | Yes, for streets, street safety, transportation only |
| Assess costs? | Yes | Yes | No | Yes | Yes | Yes |
| Issue GO bonds w/ voter approval? | Yes | Bonds secured by tax increment | Bonds secured by tax increment | Yes | No | Yes |
| Issue revenue bonds? | Yes | Yes | Yes | Yes | Yes | Yes |
| Issue special assessment bonds? | Yes | No | No | Yes | Yes | Yes |
| Statute | 31-25-1201, et seq C.R.S. | 31-25-801 et seq C.R.S. | 31-25-101 et seq C.R.S. | 31-25-601 et seq C.R.S. | 31-25-501 et seq C.R.S. | 32-1-101- et seq C.R.S. |

HOW A BUSINESS IMPROVEMENT DISTRICT CAN MAKE A DIFFERENCE

THE CITY OF DURANGO AND DURANGO BUSINESS IMPROVEMENT DISTRICT (DBID) HAVE ENJOYED MANY successful partnerships over the past 20 years. The City has supported the efforts of DBID through donations of email and computer network space, as well as prioritization of projects within DBID's boundaries. DBID's work has also helped the City, by providing leadership, support, and funding for things the City cannot do.

In 2012, the City, DBID, and Fort Lewis College came together to jointly build and operate the Downtown Durango Welcome Center. Durango had a welcome center, but it was not located in the downtown core. The new Durango Welcome Center was built in the heart of downtown, and offers services such as referrals to businesses, information on events, public restrooms, Fort Lewis College recruitment, and ticket sales for its Community Concert Hall; it also serves as the headquarters for the Durango Area Tourism Office. To date, more than 700 million people have gone through the Durango Welcome Center's doors.

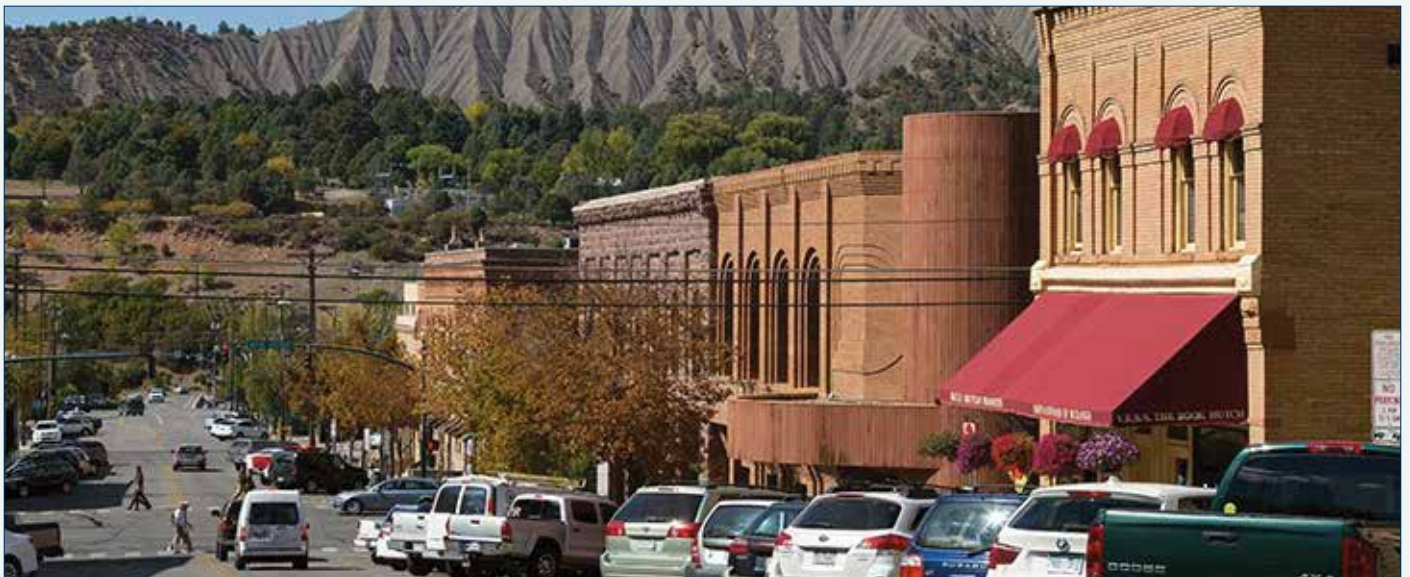
In 2018, DBID and the City of Durango partnered on a project to upgrade the lighting in downtown. The lights in the historic light poles were first generation LED technology, and over time were only operating at about 40 percent of their original brightness. DBID and the City wanted to replace and upgrade the lights to provide more light on the downtown sidewalks, especially at nonsignaled intersections. The lights also needed to comply with a dark skies ordinance, and could not be a nuisance to residents living on second and third floors of downtown buildings. DBID offered to pay 35 percent of the costs, and the City agreed to pick up the remaining 65 percent. Neither organization could have done this project on its own, but together the need was addressed. Downtown Durango today is brighter and safer.

After learning from Downtown Colorado Inc. about how other BIDs had created outreach positions to address homelessness, DBID and the City of Durango jointly hired a homeless outreach coordinator in 2018. The City needed someone to help monitor its emergency shelter, and DBID needed someone to perform outreach to people in need in and around the downtown area. An amazing homeless advocate was hired and has helped hundreds of people access services.

DBID also has contributed to the City of Durango's event equipment fund. This fund has purchased a mobile stage for concerts, barricades, pop-up tents, tables, chairs, and more supplies that are available at a very low price for events. Event organizers can rent the equipment from the City at an affordable rate, and then operate better events that bring people to the area.

DBID, the City of Durango, and the Durango Chamber of Commerce partner twice a year on clean up days for downtown and the North Main District. DBID and the chamber recruit more than 100 volunteers to give their time to help clean these important commercial areas before the busy summer tourist season, and the City provides cleaning equipment and trash removal.

These are just a few examples of how the City of Durango and the Durango Business Improvement District have formed successful partnerships. Learn more about DBID at downtowndurango.org.



BUILDING OPPORTUNITIES

WHEN THINKING OF YOUR municipal economic development strategy, historic preservation is not likely the first thing that comes to mind. But historic preservation can provide a connection to our past, help define a community's unique character — and serve as an important tool for economic development.

According to economic development consultant Sharon K. Ward, businesses commonly cite five main reasons for moving. These are labor and workforce issues, the desire to reach new markets, the need to upgrade facilities or equipment, the desire to lower costs or increase cash flow, and considerations about quality of life. (Henricks, "How to Relocate Your Business," *Entrepreneur*.) Historic preservation can affect all of these factors, particularly a community's perceived quality of life.

In Denver, the Lower Downtown District (or LoDo, as it is commonly known) is one of the most vibrant areas of the city, precisely because of the rehabilitation of historic warehouses, hotels, and retail establishments that now attract people to the area. LoDo recently has seen an economic boost from the rehabilitation of Union Station, a historic rail center now transformed into a vibrant retail, dining, and hotel complex that is a destination for Denver residents and a must-see for all Denver visitors.

In Yampa, the rebirth of Crossan's Market provides a hub of activity for residents and tourists alike. The rehabbed building serves as the new

Yampa Town Hall, as well as the home of the South Routt Economic Development Council, Yampa-Egeria Historical Society, and an area visitors' center. Furthermore, the building provides a community room for use by local nonprofits and space for the Northwest Colorado Cultural Heritage & Tourism Initiative and the Flattops Scenic Byway. For Yampa and the surrounding region, the Market has become a true economic driver.

In Eads, the transformation of three buildings into the Crow Luther Cultural Events Center has provided incentive for residents of Kiowa County to once again spend evenings on Maine Street, going to the movies, taking in a play, attending a community gathering, or simply enjoying an ice cream cone. Just across the street, the rehabilitation of three additional buildings will create a senior citizens center and the Visitors Center for Sand Creek Massacre National Historic Site, providing much-needed resources for the senior community and bringing in heritage tourism dollars, further enlivening the central business district.

These communities are tapping into the State of Colorado's historic preservation and economic development programs. By leveraging historic rehabilitation projects and programs, your community can benefit from both heritage tourism and revitalization.


State Historical Fund

Probably the most well-known of these tools is the History Colorado State Historical Fund. Created through the 1990 constitutional amendment that

brought gaming to Black Hawk, Central City, and Cripple Creek, this distributes more than \$8 million a year through grants to governmental entities and nonprofits for historic preservation projects. Since 1993, the first year funds were distributed, almost \$300 million has been distributed in all 64 Colorado counties. Eligible projects include the acquisition of historic properties, rehabilitation, archaeology, interpretive projects such as signage and printed materials, and surveys to identify historic resources. Recently funded projects include the roof replacement of the Denver and Rio Grande Depot for the City of Montrose, a downtown architectural survey for the City of Glenwood Springs, and the acquisition of the Fox Theatre by the City of Trinidad.

State Historic Preservation Tax Credits

The State of Colorado first enacted a historic preservation tax credit for both commercial and residential buildings in 1990. Through 2015, \$46 million in rehabilitation was undertaken commercial projects and \$16 million by residential projects. The commercial credits were enhanced in 2014 and since those enhancements have taken effect, \$22 million in credits have been awarded, generating 867 new jobs after completion with \$40 million in additional payroll. Important for municipalities, the property values of these properties have increased by \$270 million with more than \$6 million generated in sales tax.



Rehabilitation projects have taken place in municipalities of all sizes, from the Armstrong Hotel in Fort Collins to the conversion of the Odd Fellows Hall in New Castle to a dental office. While governmental entities are not eligible for the credit, partnerships with private businesses or nonprofits through lease arrangements allow municipalities to take advantage of the incentive. The rehabilitation of the Fruitdale School in Wheat Ridge into housing is an excellent example of such a public-private partnership.

On May 30, 2018, Gov. John Hickenlooper signed a bill reauthorizing the credit through 2029. Among other adjustments to make the credit increasingly user-friendly, the legislation increased the credit from 20 to 25 percent to 30 to 35 percent for rural communities while maintaining the 20 to 30 percent for urban areas. The legislation defines a “rural community” as: “A municipality with a population of less than fifty thousand people that is not located with the Denver metropolitan area.” (A definition is also included for unincorporated areas.)

Federal Rehabilitation Tax Credits

The federal government initiated a tax credit for rehabilitation of commercial properties in 1981. Currently, the credit is 20 percent of qualified rehabilitation expenses and must be claimed over a five- to 20-year period. Through 2015, 380 projects have received \$640 million in credits in Colorado alone. Colorado Preservation Inc.’s study, *Preservation for a Changing Colorado*, estimates that the

credit generated more than \$1.4 billion in economic impact. Projects across Colorado have benefited from these credits, including the Sterling Public Library and the Hotchkiss Hotel.

Colorado Main Street

While historic preservation is an important element across all neighborhoods in our cities and towns, it can be an especially vital element when it comes to central business districts.

“Downtown is important because it is the heart and soul of any community. If you do not have a healthy downtown, you simply do not have a healthy town,” says Ed McMahon, chair of the National Main Street Center Board of Directors. The Colorado Department of Local Affairs addresses this need through the Colorado Main Street Program. The program provides resources to assist downtowns throughout the state to thrive economically. Colorado currently has 20 designated Main Street communities. In 2017 alone, this program generated \$109 million in investment and created 476 new jobs in communities across the state.

Certified Local Governments

The Certified Local Government (CLG) program is a partnership between the federal, state, and local governments for historic preservation. Adopting a preservation ordinance, seating a historic preservation commission, and establishing a local historic register is the gateway to participation in this program.

Listing a property on a local historic register by a CLG provides eligibility for State Historical Fund grants and State Historic Preservation Tax Credits. In addition, the CLG grants program, which has provided more than \$3.5 million to Colorado communities statewide, is open only to local governments that are certified. Projects such as a walking tour podcast in Cortez and interpretive signage for the Steelworks Center of the West in Pueblo are two examples of heritage tourism initiatives supported through this program.

In his book *The Economics of Historic Preservation: A Community Leader’s Guide*, Donovan Rypkema says, “Economic impact is generally measured in three ways: jobs created, increase in household income, and demand created on other industries. Very few of the 500 or so categories of economic activities have as potent an economic impact, balanced among the three categories, as does the rehabilitation of historic buildings.”

The State of Colorado can help cities and towns rehab and revitalize historic buildings, spurring economic development through the attraction of new businesses, housing, community gathering spaces, and heritage tourism — economic opportunity based on your particular place in Colorado’s history and its future.

For more information on the programs offered through the State of Colorado, visit History Colorado at www.historycolorado.org or the Colorado Department of Local Affairs at www.dola.colorado.gov/cdo.

ONCE A HOTEL, THEN A HOSPITAL, A HISTORIC BUILDING CONTINUES TO BE OF USE

By Doris King, Flagler town clerk

THE CURRENT FLAGLER TOWN HALL IS HOUSED IN A TWO-STORY BUILDING ON MAIN AVENUE BUILT IN 1908 as a hotel.



The hotel became the area hospital in 1937, and served as such until 1963. More than 2,000 babies were born there, and victims of several terrible accidents were treated there, including those in a 1951 air tragedy that, among other incidents, placed the Flagler Hospital in the national news. During its tenure as a hospital, many new techniques, drugs, and treatments were employed, making it one of the best hospitals in the nation. It is amazing to learn how many patients came from quite some distance for treatment at there!

The Town of Flagler bought the building in 1967, and moved its town clerk office there.

Then, in 1969, the Flagler Community Library moved into the building.

In 1991, the once hotel and former hospital was added to the National Register of Historic Places. The Town of Flagler, with help from the History Colorado State Historical Fund (SHF), worked to repair the building, but maintain the integrity of the past history. Since 2013, the current town clerk has worked with SHF to make extensive repairs to the foundation, replace the roof, and, this year, finish the windows and stucco.

The Town of Flagler continues to use the main floor of this historic building for its town hall, adult branch of its library, and as the Hal Borland Room/Museum. Town meetings are held there once a month.

The upstairs is the hotel/hospital museum and children's library. Flagler has summer reading programs and other activities for children.

By using its town hall and library, the museum is staffed for visitors to drop by anytime during the week and often on the weekends. (If the Town had to staff the museum as a stand-alone attraction, it would probably not be possible due to financial reasons.)

VITA Program volunteers come and use some of the rooms to do taxes for the elderly and families with low- to moderate-income and distribute food monthly, in addition to other public uses.

This 1908 structure continues to serve as a hub for the community in 2018 and beyond. In all, our 110-plus-year-old building serves in many areas of the town.





LEVERAGING FEDERAL RESOURCES

CULTIVATING SUPPORT FOR ECONOMIC DEVELOPMENT PROJECTS

ACCORDING TO ICMA'S 2014 Economic Development Survey of Local Government (icma.org/node/66416), more than two-thirds of local governments in the United States have the primary responsibility for economic development.

While such other groups as chambers of commerce, regional organizations, citizen advisory boards, and public-private consortia support economic development and contribute to development strategies, it is often a local government that has the primary responsibility of implementation.

According to the ICMA survey, nearly 90 percent of a community's local economic development activities were funded by local revenues and the local government's general fund. With many federal agencies offering programs to support economic growth, it is a little surprising that less than one in three responding communities reported federal aid as a primary source of funding.

With local governments playing a crucial role in economic development, it is important for local government managers to understand how to leverage various programs and where

to find federal financial and technical assistance.

Recognizing this need, ICMA joined a consortium with New York University's Wagner Graduate School of Public Policy (wagner.nyu.edu) and Jobs for the Future (www.jff.org) to work with the U.S. Department of Commerce's Economic Development Administration (EDA; www.eda.gov).

The consortium supported EDA's economic development integration function, which provides insight and guidance on ways to align and integrate federal economic development programs and criteria.

With each new administration and budget cycles, communities have learned that they cannot solely depend on one federal agency to meet all the financial and technical assistance needed for development.

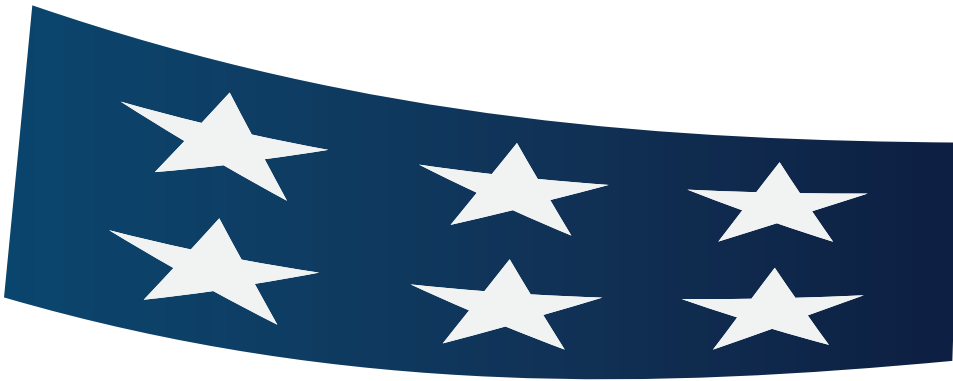
It does not help that priorities are continually shifting and impacting funding allocations to federal agencies. This, however, should not discourage local governments from seeking federal support; it just requires practitioners to reach out to a variety of agencies and to leverage resources from multiple sources.

ICMA has learned from past experiences working with numerous federal agencies, including EDA, and supporting communities with their implementation of regional economic development plans. This article examines key traits of successfully implemented projects that have leveraged funding and resources from multiple federal agencies to meet local priorities.

Where Are Your Resources?

One of the most important aspects and at times the most undervalued, when looking at leveraging federal resources for economic development projects, is the role stakeholder groups with a vested interest can play in garnering financial support from federal agencies.

While stakeholders can have a key role in establishing relationships with agencies and helping with the implementation of projects, it is not always easy getting them to the table. It is important that managers reach out to partner organizations to better understand regional opportunities and challenges. This also helps clarify overlapping and competing priorities among stakeholders and identify opportunities to build new or



strengthen existing regional partnerships.

Convening a diverse group of stakeholders ensures that the development of a comprehensive regional strategy is reflective of the needs of the region.

When multiple stakeholders are brought to the table to discuss their needs and goals, whether they are businesses, nonprofits, schools, or community groups, municipal managers will be able to fully understand and assess a region's existing capacity before applying for federal funds.

A local college or business, for example, could already have an existing relationship with a federal agency and could be the conduit needed to receive funding. Working with anchor institutions also may help alleviate some of the burden on local governments with implementing projects and meeting the reporting requirements.

Some grants even require the inclusion of colleges or other anchor institutions, and with an established relationship with these institutions, the lift to apply for grants is not so heavy.

One of the best ways to make sure the appropriate stakeholders are included — and no one is accidentally omitted — is by conducting a needs assessment to better understand the mission and goals of community institutions. Through this assessment, you can gain a better understanding of the limitations, the strengths, and the

relationships the industries have that can be leveraged.

The difficult part of such an effort is in the nuances: identifying the right partners, succeeding in engaging them and keeping them engaged, coalescing partners around agreed-upon community goals, getting their commitment to a plan of action, and assessing and tweaking the plan if necessary.

While working with stakeholders is extremely beneficial, managers also need to make sure they are not overextending or underusing any one group. More stakeholders will request a seat at the table and provide feedback when monthly meetings are held and a two-way communication stream is established.

Navigating Obstacles

When integrating multiple federal funding streams to support a single economic development strategy, conflicts can arise in regard to the reporting and monitoring requirements that each award requires.

Each agency has its own set of monitoring and reporting requirements that are usually laid out in the contract. Perhaps not all agencies' requirements will be aligned with each other, causing the awards recipients to submit several different reports on a monthly or quarterly basis.

A way to navigate this potential challenge is to identify the various requirements during the planning


process and discuss a plan with the agencies. Local governments will be able to report the information agencies need without submitting different forms to each one. Most agencies have partnered on other projects and if asked, can provide an easy solution to this predicament.

It is important that the capacities and priorities of partner organizations are clearly articulated during the planning process. Smaller community-based organizations and small businesses do not have the time nor the financial or human resources necessary to both implement programming and tackle administrative tasks.

One way to avoid this conflict is by making sure everyone understands their roles and responsibilities for implementing the project. Issues are bound to occur, as Murphy's law states, so it is better to be prepared.

Hold weekly or monthly meetings depending on the phase of the project, and make sure there is a contingency plan for delays. Having a plan in place may not prevent delays or additional costs, but it most likely will help prevent misunderstandings and delays on submitting reports.

During the planning process, it is a good strategy to map out a crosswalk of each federal agency's criteria to identify overlap and disparities. Understanding the requirements that are attached to each funding source and where there are duplications can help streamline the application, monitoring, and reporting processes in



the future, which will, no doubt, accelerate the process.

Relationship Building

It almost seems like a no-brainer that local governments would want to establish a relationship with federal program officers if they were seeking federal funding. Sometimes, however, the value of establishing these relationships can be understated.

Federal program officers serve as a project's single liaison between the region and the federal agency funding programming. As such, establishing contact with program officers early and often can offer immense benefits to the region.

Program officers can serve as an information and referral source for upcoming federal funding opportunities and a sounding board for grant applications, as well as a resource for clarifying program requirements.

It can be difficult to identify federal funding announcements that are applicable to a region's economic development strategy, and it can be even more challenging putting together a proposal that meets the requirements.

This is a significant challenge for smaller communities that have limited resources and do not have a dedicated staff member focused on economic development. This is where federal program officers have a lot to offer in the way of meeting this challenge.

Federal program officers are familiar with the strategic goals and activities of specific regions and can make recommendations on which new funding opportunities a region may want to pursue. In Snohomish, Wash., a strong relationship between the local economic development districts and Seattle's regional EDA office was pivotal to identifying additional federal funding sources to support the state's Oso mudslide disaster recovery efforts.

The Seattle regional office served as a trusted adviser for identifying which federal programs would be available to assist in economic planning and growth after the rescue and recovery phase of the project.

For small and rural communities, it can be difficult to attract employers and sustain economic growth. If relationships are established with federal agencies, they can provide additional support, help identify assets that become economic development opportunities, and make funding more accessible.

Communities might not have the resources to fund a staff person dedicated to research and who can make connections with federal agencies. A manager will be the one to reach out to places directly, gauge what the need is, and provide guidance on where resources can be located.

The support EDA and other agencies offer is not limited to

money as they can also provide guidance on establishing or redefining an economic development strategy (www.eda.gov/ceds).

Federal Support Is Available

The process of developing a regional strategy must be, at all points, intentional and strategic; especially at the outset. Integrating all of the components necessary to implement a regional economic development strategy, however, can be a challenge for most.

If managers apply for a grant but are not successful, they should not walk away. To strengthen the next proposal, request additional information from the funder on why it was denied. The feedback received can be instrumental in gaining financial support from other federal agencies.

Also, request technical assistance from the agencies to help establish a relationship that can lead to securing financial support in the future.

EDA has resources for communities looking to revamp or create an economic development strategy, and it can offer additional insight that can help improve the planning process for economic development and increase the chances of receiving federal funding. Managers can also reach out directly to regional offices for potential opportunities related to their area (www.cfda.gov).

Resources for this article include:
www.grants.gov, www.eda.gov/edi, and
www.eda.gov/contact.

GET TO KNOW ... PAUL CHAVOUSTIE

GRANBY MAYOR

How did you end up in public service?

I was asked to run for office by a group of citizens who knew my track record of turning around real estate projects and businesses. They needed change for a town that had had no major positive change in more than a decade, businesses were struggling, and good families were leaving because of a lack of opportunity and the high cost of living. I had a vision for the town and how to spur on economic development, renew the floundering downtown, create jobs, and provide affordable housing. So far, we have made great strides in accomplishing those goals, and that is why I entered public service.

What do you enjoy most about your position?

So far, my vision for building affordable housing, creating an exciting downtown, and engaging in greater economic development is all taking shape. That is the most exciting and enjoyable part of my position—seeing the vision come to pass in such a way that it will be a blessing to families for generations to come.

What is the most challenging part of your position?

The most challenging part is not taking any criticism too personally. Many times there is misinformation out there and people just need to be informed as to why a certain decision was made. Some of the best ideas and collaboration efforts come from embracing those differing ideas.

What are some exciting things going on in Granby?

Granby has a huge RV and cabin resort under construction, an exciting downtown renewal and revitalization, a 310-unit affordable cabin community under construction, a 100-unit affordable apartment project, and many nice residential projects in the works.

What project or undertaking are you most proud of and why?

I am most proud of our acquisition of a 1,500-acre property that contains 1.5 miles of the Colorado River and valuable water rights. This parcel was a defunct real estate development that was sitting on the market for years during the recession. The original asking price was \$60 million. After eight years of being on the market, I was able to negotiate the purchase for the Town for \$4.5 million. This was a fantastic bargain at the tail end of the recession.

The intent of the Town's purchase of the land was to give residents and visitors access to an amazing part of Colorado that, in the past, was reserved for only a few.

It has more than a mile and a half of Colorado River, spectacular views, amazing wildlife, and vast tracts of open space. It also contains more than 12 miles of roads and infrastructure which could be used for various developments. We saw the ability to preserve and protect the land and water rights, and at the same time create economic development opportunities.



GET TO KNOW THE

- The Town of Granby was incorporated in 1905
- Population: 2,032
- www.townofgranby.com



The idea of a small town with a small budget buying such a big tract of land was a challenge for some people to understand at first. We had to educate the public and bring developers to the table that would buy tracts of land from the town. Creating the exit strategy before the purchase was finalized, was critical.

I met with land trusts, Colorado Parks & Wildlife, and potential developers to validate that plan. We have now succeeded at selling 350 acres to a large cabin/RV resort and affordable housing developer for \$6.25 million. We have netted more than \$1.7 million, paid off town hall and all debts, and still have 1,100

acres for the public. This project is creating new jobs, economic development, a catalyst for our downtown success, and reclaimed a historic ranch and river for public use.

What is the funniest or strangest thing to happen while at work?

I think "land banking" some good parcels and then attracting the right mix of development or industry is a great way to improve a town's economy. Many towns overlook those opportunities, but they are there. It just takes vision, planning, and gumption to make it come to pass.

What website(s) and/or publication(s) do you refer to when seeking information?

I enjoy the CML publications and website (www.cml.org). I also get inspiration from reading a variety of books.

What book are you currently reading? Are you enjoying it?

I am currently reading *The Obstacle is the Way* by Ryan Holiday. I am actually an audio book junkie and this is about my third time listening to this book. It has so many valuable insights, especially for people in public service, because it is full of wisdom and very applicable for issues we all deal with.

