



1999 Broadway
Suite 2200
Denver, Colorado 80202-9750
303.321.2547 fax 303.399.0448
www.bbcresearch.com
bbc@bbcresearch.com

MEMORANDUM

To: Clear Creek County
From: BBC Research & Consulting
Re: Clear Creek County Economic Development
Date: October 2, 2015

Meeting Summary

BBC Research & Consulting (BBC) attended a half-day meeting with Clear Creek County officials on September 10, 2015 to discuss economic development activity, opportunities and objectives within Clear Creek County (County). This meeting was proposed after prior interactions between BBC and the County revealed the need for broader economic development discussions rather than focused discussion on specific facilities or amenities, which the prior interviews/RFPs addressed.

The meeting focused on opportunities and strategies to strengthen and diversify the local economy; attract additional day and overnight visitors; improve upon the existing housing stock; and appropriately brand and market Clear Creek County to potential residents and visitors. The meeting concluded with site visits to three County owned properties and discussion of their past use and potential future opportunity.

Background. From an economic perspective, Clear Creek County is heavily reliant upon the Henderson Mine, as it currently accounts for about 70 percent of County tax revenues and employs approximately 150 Clear Creek County residents. The County estimates the mine will close within the next five to 10 years. The County is seeking new economic opportunities, employers and tax revenues to maintain service levels. It is important for the Clear Creek County community to understand that the loss of such a significant employer and tax contributor will invariably alter the economic and fiscal realities of the County. Long-term stability is contingent upon new and more diverse economic growth.

Opportunities for economic growth and diversification. It is evident that Clear Creek County understands the need for economic growth and diversification. The “Economic Agenda Action Planning Matrix” prepared for the County presents a list of actionable items to facilitate economic growth in the short- and long-term. The following highlights the most crucial and viable actions of the existing economic agenda, as well as additional discussion from BBC.

- Identify key parcels within the County appropriate for commercial development and work with developer and business community to realize new projects.
 - Determine level of County involvement in the process, ranging from direct infrastructure investment (e.g. dedicated taxes, utility improvements, etc.) to indirect stimulation (e.g. grant assistance for façade improvements).
- Monitor and assist the Broadband Taskforce in its efforts to make broadband available throughout the County, as broadband is increasingly essential for businesses to operate and expected by American households.
 - Capitalize on the County’s broadband access (when in place) and high quality of life—particularly outdoor recreation—to attract self-employed individuals and full- or part-time telecommuters. A recent study found that 80 percent of the US workforce would like to telework at least part-time and that the telecommuter population has more than doubled since 2005. Also emphasize Clear Creek County’s proximity to the Denver metro area and Denver International Airport, key considerations for the telecommuter population.
 - As an example, Bend, Oregon has successfully used the combination of a fast broadband network and marketing itself as a desirable community to attract new businesses and residents. Bend prominently features the broadband network on the Chamber of Commerce website, while also noting the high quality of living and outdoor recreation activities associated with the area. These efforts have resulted in an estimated nine percent of Bend’s workforce telecommuting (one of the highest in the nation), spurring population and economic growth.
 - Incorporate information on broadband service into tourist office and economic development promotional materials.
- Pursue creation of an impact hub that benefits all residents.
 - Beyond the impact hub vision stated in the economic agenda (tech innovation, business incubator and community learning center), consider the opportunity to house a job retraining program at the impact hub. Current and former Henderson Mine workers have a unique skillset that could translate well to a new industry. A newly trained workforce with years of experience could be an attractive situation for the right employer (e.g. manufacturing). Numerous job training and retraining grants exist.
 - Reach out to the state office of economic development and international trade (OEDIT) to raise awareness and leverage promotional efforts.

- Promote Clear Creek County as a premier outdoor destination with numerous natural attractions and recreational amenities.
 - Attractions include: river recreation, vast network of hiking trails, numerous OHV trails, great hunting and fishing, Loveland Ski Area (closest I-70 mountain to Denver, less traffic), etc.
 - Opportunity to play up the “Authentic Colorado Outdoor Experience.”
 - Promote ease, accessibility and proximity as well as rugged outdoor adventure.
- Improve the transit options for people wanting to travel from the Front Range to Clear Creek County.
 - Enable visitors to the County to easily travel between destinations (i.e. Georgetown to Idaho Springs).
- Expand upon the recent success of events hosted in the County that attract day and overnight visitors.
 - Explore opportunity to host annual music festival of appropriate size, likely using concessionaire as part of operation.
 - Consider developing campground at Shadows Ranch property.
- Continue to explore new hotel options in the County, following hotel feasibility study.
 - Consider development of a smaller modern boutique style hotel if attracting larger hotels continues to prove difficult.
- Engage with health care groups that have expressed interest in having a presence in Clear Creek County. The addition of a health care facility would create immediate employment opportunities and increase the self-sufficiency of the community.
- Opportunity to increase the racial and ethnic diversity, as well as socioeconomic diversity, of the community, which studies have shown leads to increased economic prosperity.
 - From the 2013 American Community Survey (ACS), 92 percent of Clear Creek County residents identified as “White alone,” compared to the statewide mark of 70 percent.
 - A more racially and ethnically diverse community could spur the need for additional businesses and could help foster collaboration and innovation.
- Identify and pursue a catalyst project that the County and its residents can rally around.

Improve housing stock. Economic development and housing are inherently intertwined as new industry requires housing for its workforce, especially quality and affordable housing to attract high wage industries and employers. As reported in the ACS, 63 percent of Clear Creek County housing was constructed prior to 1980 (standard cutoff for modern housing), compared to 48 percent for Colorado as a whole. Additionally, the median home price in Clear Creek County is \$268,500, which is over \$30,000 higher than the statewide median home price. This relatively aged and more expensive housing stock presents a potential problem in recruiting

new industry and employers to the County, as well as attempting to attract new residents that would commute to their existing jobs. Potential actions to improve the housing stock include:

- Identify sites throughout the County appropriate for new residential development.
- Ensure that new housing development aligns with community need, most likely middle-tier housing.
- Locate new housing development in areas with sufficient access to existing and future commercial development, as well as potential future transit sites.

Retain and attract younger demographic. Similar to other small non-urban communities, Clear Creek County struggles to retain and attract younger residents. According to the 2013 ACS, 15 percent of the County's residents were between the ages of 18 and 35, which is about 10 percentage points lower than Colorado's overall 18 to 35 year old population. In addition to the economic growth and housing improvement actions mentioned above, which will assist in creating a more desirable community for this younger generation, the County could:

- Market itself as a viable alternative to both the Denver metro area and Summit County— same outdoor opportunity as Summit County but closer to the urban amenities of Denver.
 - From 2013 ACS data, Clear Creek's median gross rent of \$803 is cheaper than both Denver County (\$883) and Summit County (\$1,142).
- Leverage the unique character, history and authenticity of Clear Creek County to appeal to this younger generation, which was coined in our discussion as "urban pioneers," while at the same time allowing them to feel part of a new and innovative community in the County.

Accurately communicate County Quality of Life. As mentioned by County officials, there is a need to overcome the misconceptions about visiting and residing in Clear Creek County, most notably I-70 traffic and perceived distance from urban amenities.

- As many individual's only experience with Clear Creek County occurs during ski season weekends, they are inclined to believe that the I-70 weekend traffic persists all of the time. However, typical travel time between Idaho Springs and downtown Denver is less than 45 minutes.
- Additionally, by being located on I-70 you have a head start on weekend I-70 traffic and increased flexibility in trip planning – "Avoid I-70 by being on I-70."

Site Discussion

BBC and County officials briefly toured three County owned properties. Initial observations by BBC are noted for each property.

Site 1 – Former Berry Foundation property (Georgetown Lagoon). The 18 acre parcel was purchased by Clear Creek County in 2015. As stated in the Cassidy Turley study of the property, multiple projects have been proposed over the years but development has never occurred at the site.

Strengths:

- High level of visibility from I-70, large potential customer base for retail development;
- Property location—adjacent to lagoon, proximity to downtown Georgetown;
- No existing buildings on property, opportunity to envision and develop entire property; and
- Existing residential development in close proximity.

Weaknesses:

- No direct on/off ramp from I-70, need to route through Georgetown;
- Needs infrastructure improvements;
- Need for large-scale development vision;
- No indication from private market that interest exists to develop property.

Site 2 – Shadows Ranch property. Clear Creek County acquired the Shadows Ranch property in 2015. Shadows Ranch was previously a wedding and event venue and periodically hosted musical events. The property has one large building, a series of smaller buildings/cabins, a creek and lake, and a large field.

Strengths:

- Relatively secluded from I-70;
- Large undeveloped field, could be purposed for numerous events including musical festivities;
- Natural beauty and outdoor amenities (creek and lake) of the property; and
- Previous success at site—primarily as a wedding and event venue.

Weaknesses:

- Current physical state of the large building would require significant repair and improvement;
- Likely a seasonal venue/attraction;
- Lack of parking;
- No transit connecting to Georgetown;
- Property needs infrastructure improvements; and
- No direct on/off ramp from I-70, need to travel along frontage road.

Site 3 – Clear Creek High School property. The Clear Creek High School property is located on the south side of I-70 across from downtown Idaho Springs. The school was constructed in the 1960's and used as the high school until 2002. The school district offices use a portion of the building, as well as a few other agencies and private businesses, but the majority of the facility is currently vacant.

Strengths:

- Unique 75,000 square foot facility that could accommodate single large employer or multiple smaller businesses;
- Openness of structure lends itself to impact hub idea or a co-working space;
- Does not require infrastructure improvements (water, wastewater);
- Within walking distance of downtown Idaho Springs; and
- Dedicated parking lot and athletic field that could be converted to additional parking.

Weaknesses:

- Overwhelming large structure that requires specific redevelopment concept;
- High appraisal value, around \$8 million; and
- Presence of asbestos limits ability to modify structure.

Conclusion

Transitioning a local economy away from an employer as large and significant as the Henderson Mine is a complicated and gradual process. Fortunately, Clear Creek County is keenly aware of the forthcoming challenge and is taking proactive measures to dampen the economic and fiscal impact when the mine does close. The economic agenda matrix has numerous actionable items that the County can begin acting on without substantial planning or expenditure, such as marketing Clear Creek as a premiere outdoor destination and hosting additional seasonal events.

Perhaps simultaneously, the County can also begin to alter public perception of Clear Creek as a destination perpetually plagued by I-70 traffic, but rather an authentic Colorado mountain community with urban amenities nearby. In many ways, these smaller tasks are equally as important to Clear Creek's long-term stability as the economic and housing development referenced above, as attracting new visitors and residents help facilitate, and ultimately necessitate, new development.

Future residents and business owners most likely discover Clear Creek County as a motorist or as part of a day or destination leisure trip. Consequently, visitors' initial impressions and reactions to the County are critical to population and economic growth. The County and municipalities should continue to invest as much as possible into public-facing infrastructure projects; pursuing grant opportunities when possible. For example, a number of small Midwestern municipalities, using awarded Community Development Block Grant (CDBG) money to partially fund, invested in downtown façade and street scape improvements. These

improvements, along with attractive, well-programmed public spaces signaled opportunity for private investment.

A complementary strategy for increased economic activity is the creation of Business Improvement Districts (BIDs) or Downtown Development Authorities (DDAs). Revenues generated through these entities can be used to fund advertising campaigns or other measures that directly lead to additional visitation, translating to increased tax revenues and overall community exposure. A study of Billings, Montana's national advertising campaign, funded by BID revenues, concluded that every dollar invested in promoting Billings led to \$3.50 in state and local tax revenue, in addition to heightening awareness as a vacation destination. Raising awareness of Clear Creek County, both regionally and nationally, and strategically marketing/branding its amenities is invaluable, as a visitor or traveler is more likely to discover the deeper benefits of living, working or starting a business in Clear Creek County after an enjoyable recreational encounter.

