

Economic Development

Context

What are the town's largest employers and industries? How has this changed over time?

In Buena Vista, the largest employers and industries have evolved over time, reflecting broader economic trends and local developments. Historically, the prison has been one of the town's significant employers. Other major employers include the Housing Innovation Cluster (Fading West and VeroTouch), the school district, the Surf Hotel and South Main, Sangre De Cristo Electric Association, and the local government. The town's main industries include restaurants, retail and service, construction, recreation, and tourism. These sectors have become integral to the local economy, especially as Buena Vista has grown as a destination for outdoor enthusiasts. An analysis from the 2017 Buena Vista Economic Development Plan, which utilized location quotients to compare Chaffee County's industries with state averages, highlighted several key sectors. The plan identified farm compensation, utilities, construction, retail, arts, entertainment and recreation, hospitality, and government as the county's primary industries.

The labor force (number of jobs) by industry has changed in Buena Vista in recent years. Tourism-based industries, such as retail trade, accommodations, and food services have increased since the 2020 pandemic-induced tourism boom. Other industries, such as health care and social assistance, transportation and warehousing, and construction are all major employers in Buena Vista. The construction industry and labor market are heavily influenced by national market trends and local policies – the number of people employed in this industry has been cut in half over the past five years.



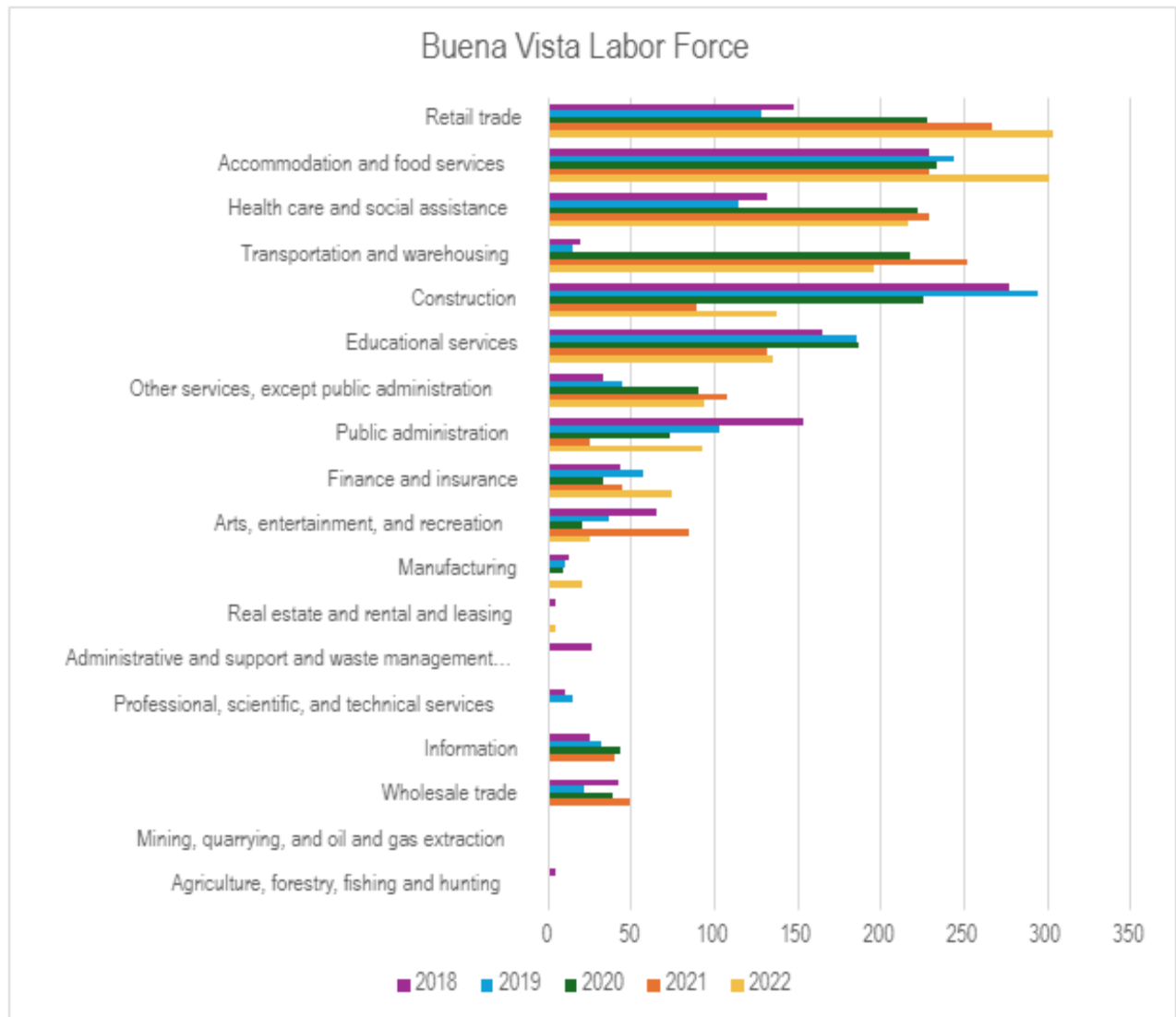


Figure 1. Buena Vista Industry by Labor Force, 2018-2022 ACS

How have sales and property tax revenues changed over time?

Buena Vista's total sales tax revenue has increased over 180% in the past decade. A 2% sales tax is directed to the Town's General Fund, while a 0.5% sales tax is directed to the Town's Street Fund. While still growing, year over year sales tax revenue increases have slowed since 2022.

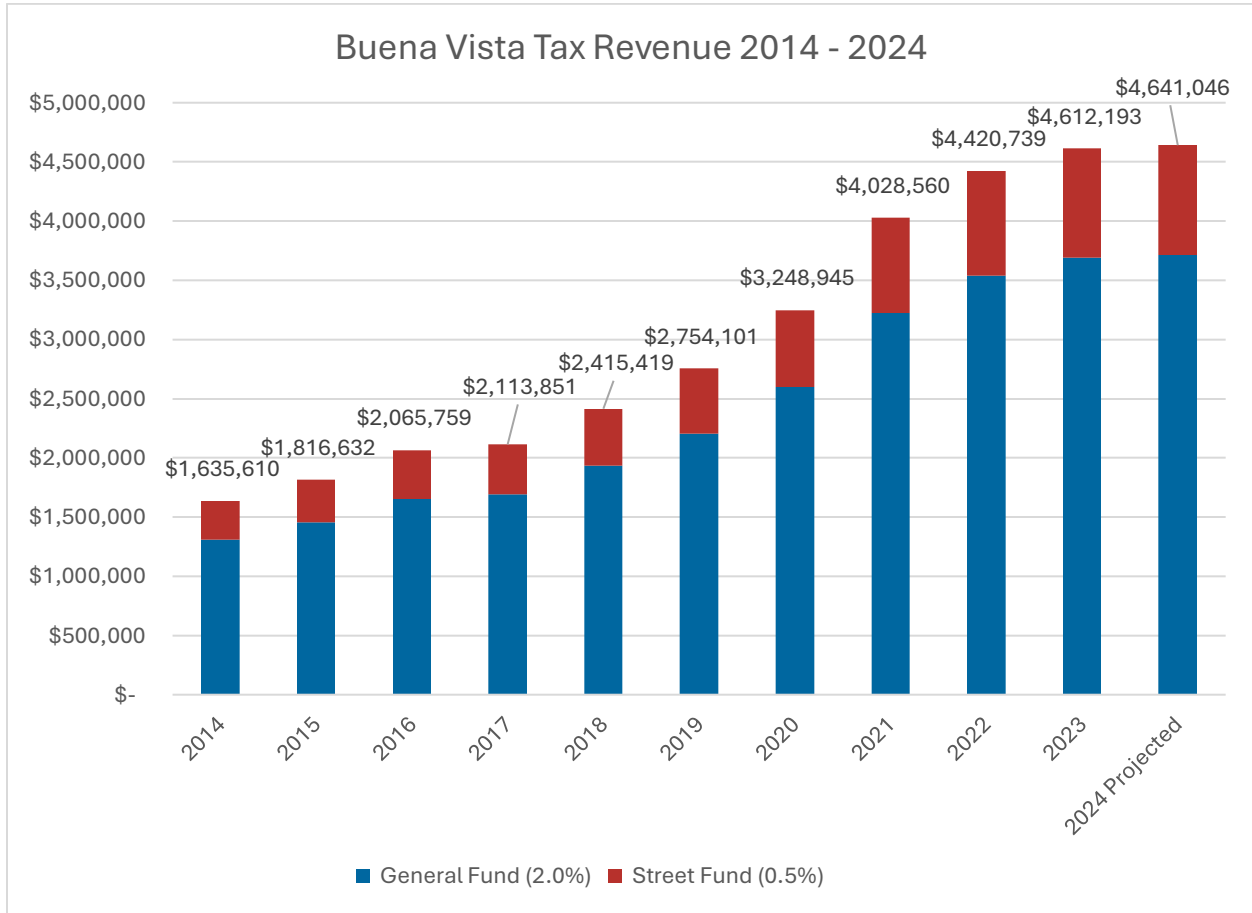


Figure 2. Buena Vista Sales Tax Revenue 2014 - 2024, Buena Vista Treasurer's Office

Buena Vista's sales tax revenue is largely seasonal, peaking in the summer months of July, August, and September, and dropping during the winter months, with notable lows in November, January, and February. This is reflective of the Town's seasonal economy, which is largely centered around summer outdoor recreation.

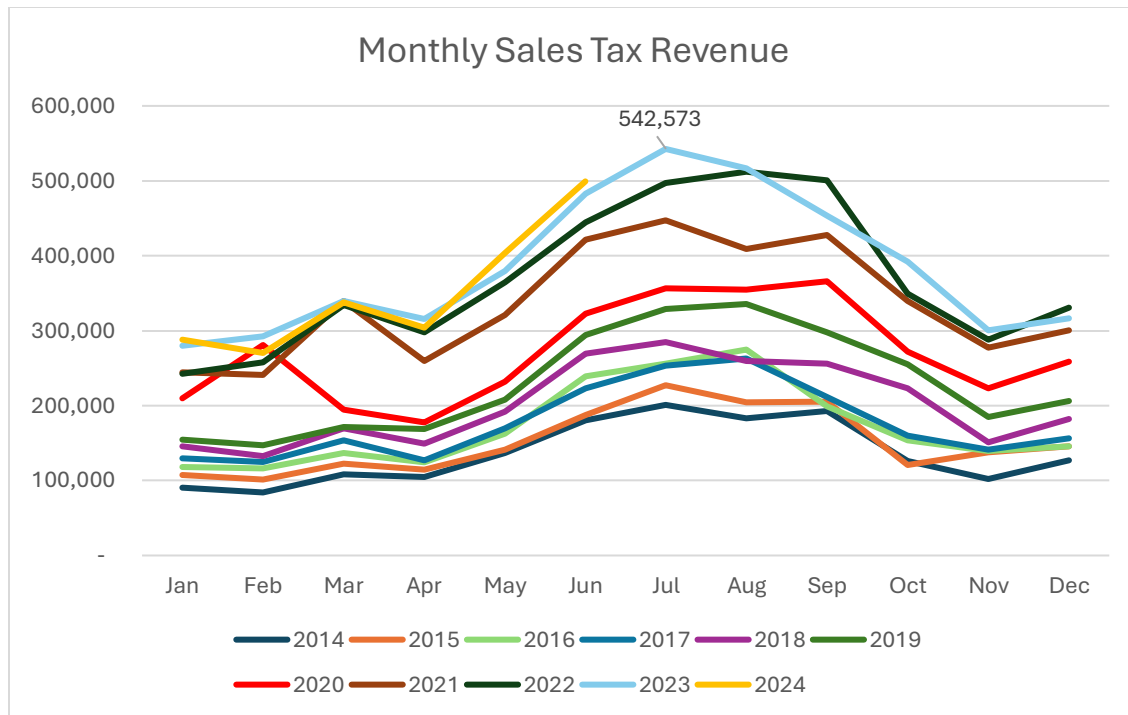


Figure 3. Figure 1. Buena Vista Monthly Sales Tax Revenue 2014 - 2024, Buena Vista Treasurer's Office

How central is tourism to Buena Vista's economy? How much of the town's economy is seasonal?

The late spring, summer, and early fall are the busiest and most profitable seasons for Buena Vista's economy, highlighting the large role that tourism plays in the local economy. As shown in Figure 1., approximately 40% of Buena Vista residents are employed in either retail trade or accommodations and food services – both of which are seasonal and tourism-related industries. For comparison, just under 30% of Chaffee County residents are employed in these two tourism-related industries, and only 20% of all Colorado residents are. In Buena Vista, the top tourism industries rely on a primarily seasonal workforce.

Where does Buena Vista's workforce live? How has this changed over time?

Much of Buena Vista's workforce lives outside of town limits and commutes in, either from the unincorporated County area surrounding Buena Vista, such as Johnson Village, or from Salida. A smaller, but significant proportion of Buena Vista's workforce have their residential locations listed in the Denver Metro area, Colorado Springs, and Leadville. A significant proportion (20%) of Buena Vista residents who work outside of town limits are employed in the Denver Metro area. According to 2021 ACS data, 77% of people employed in Buena Vista live outside of town limits, while 71% of people who live within Buena Vista work outside of town limits.



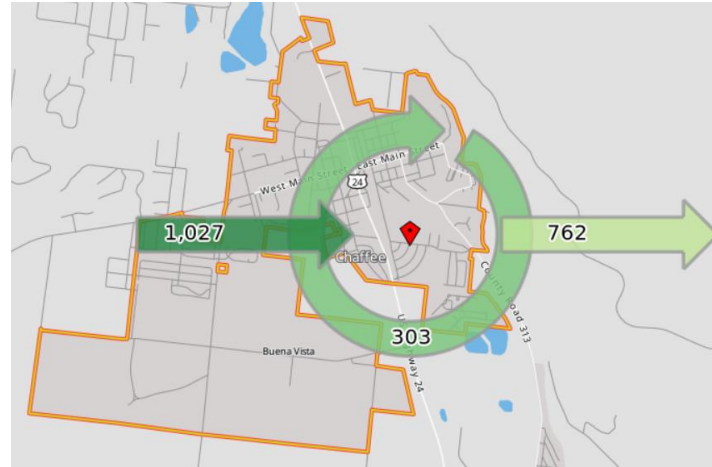


Figure 4. Commuting Characteristics of Buena Vista, 2021 ACS

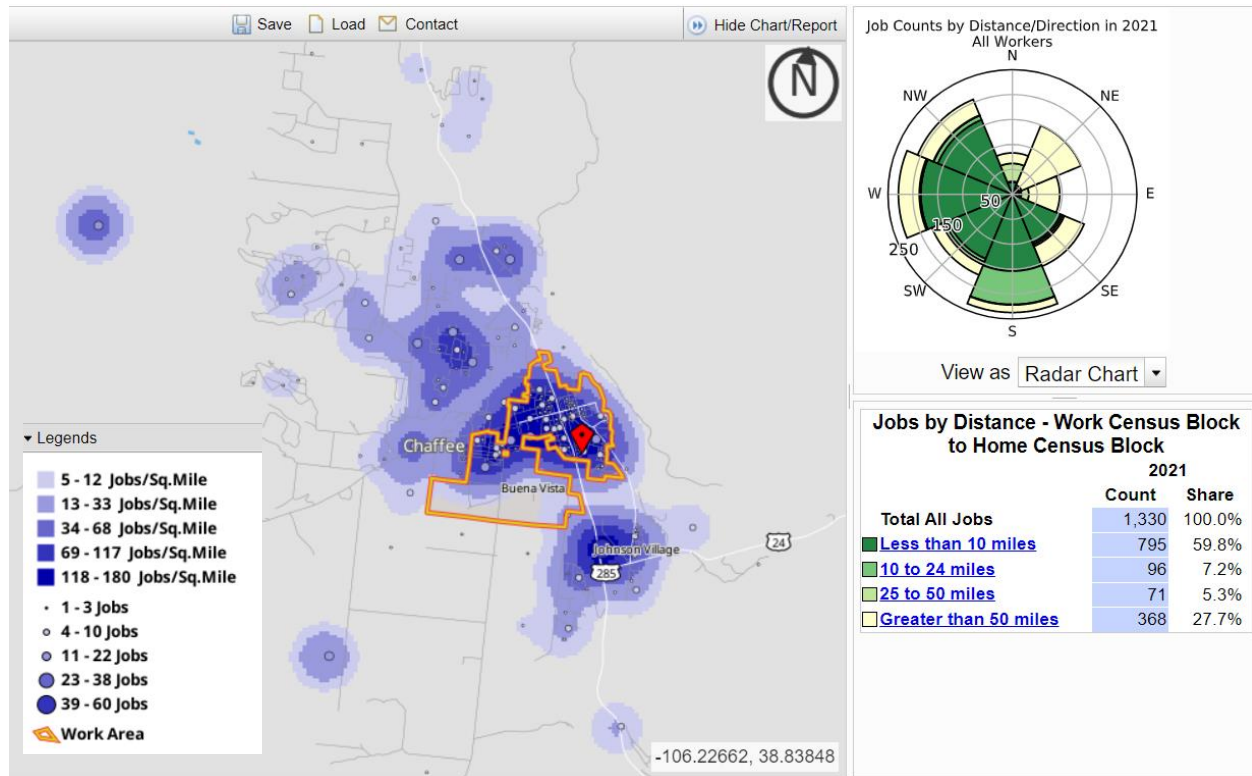


Figure 5. Residential Locations of Buena Vista's Workforce, 2021 ACS

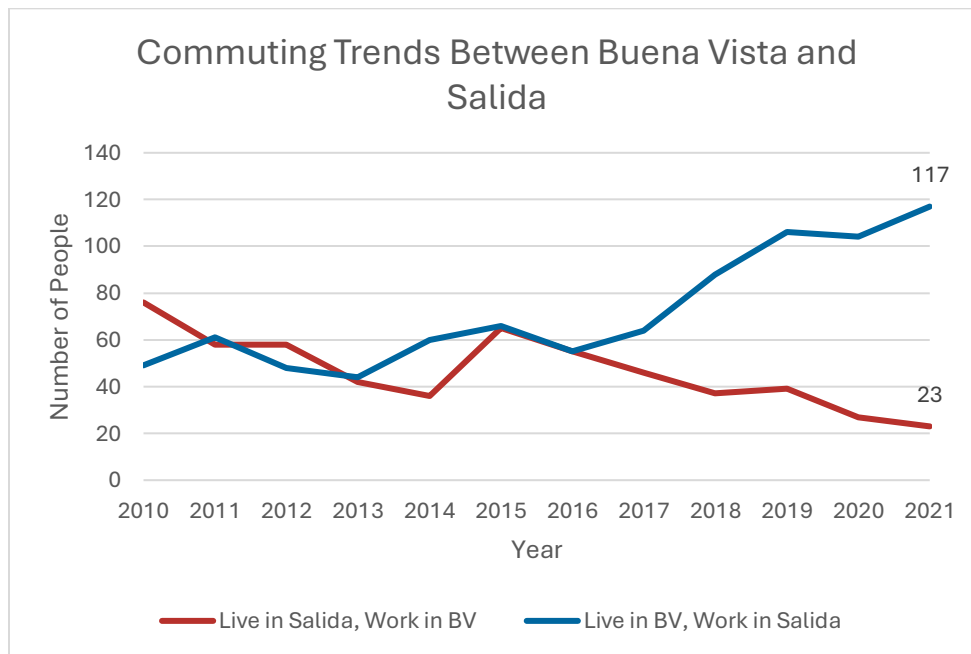


Figure 6. Commuting Trends between Buena Vista and Salida, 2010-2021 ACS

Today, fewer people commute to Buena Vista from Salida than in the past decade. Conversely, more people now live in Buena Vista and commute to Salida than in the past decade.

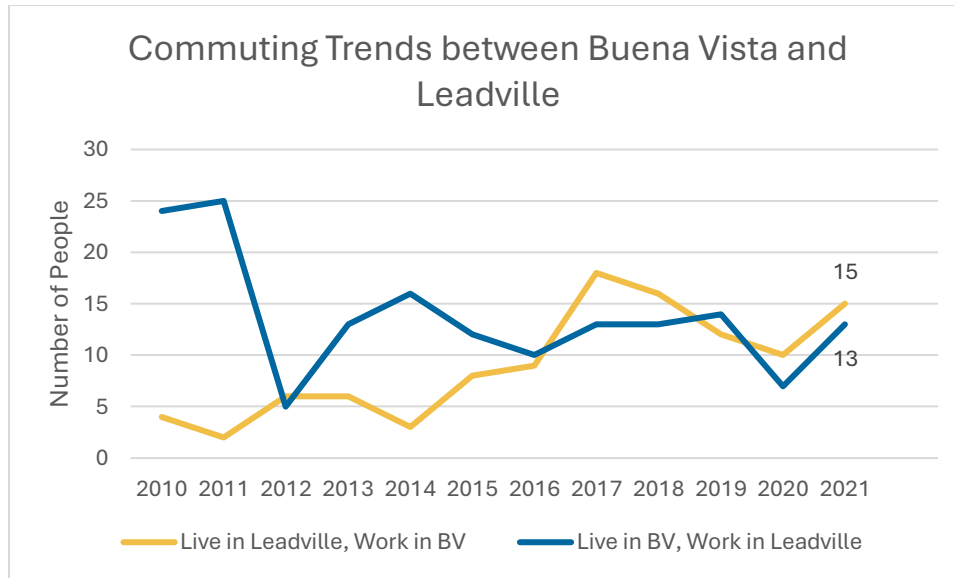


Figure 7. Commuting Trends between Buena Vista and Leadville, 2010-2021 ACS

The number of people commuting between Buena Vista and Leadville has been relatively low over the past decade, fluctuating between 4 and 25 employees. The number of people commuting to Buena Vista from Leadville has increased slightly over the past decade, while the number of people commuting from Buena Vista to Leadville has decreased somewhat.

How old is BV's workforce? What other demographic changes are relevant for economic development?

High school students make up a significant portion of the workforce in the summers. Often related to the large local evangelical population, there are more young families in BV relative to other mountain communities.

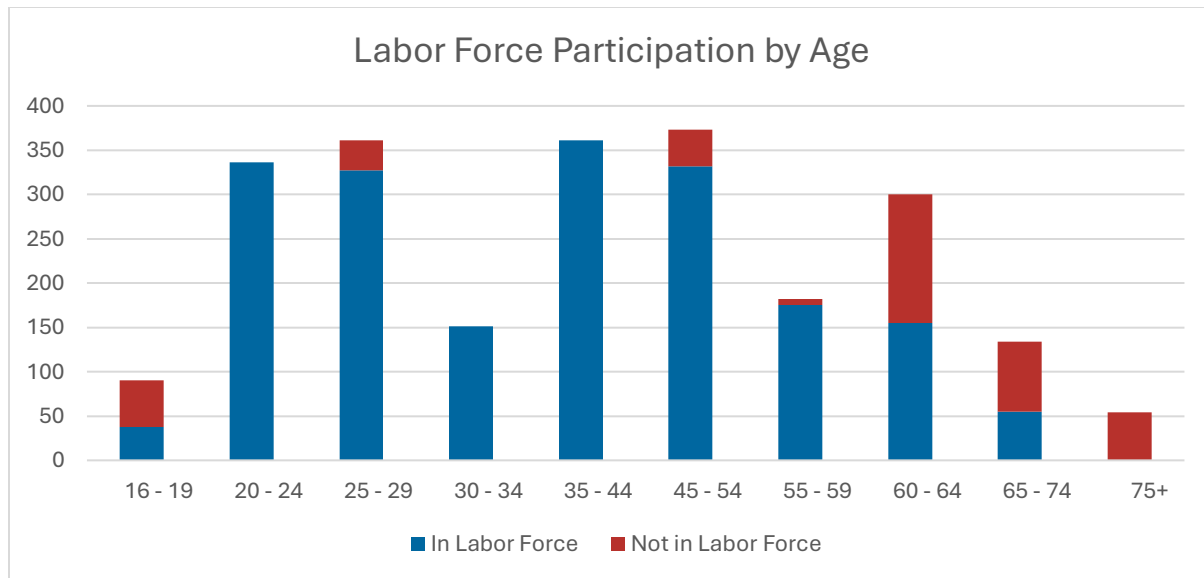


Figure 8. Labor Force Participation by Age, 2022 ACS

Relatively new businesses, such as Fading West, have recently begun employing workers from Latin American countries. Some of these workers have limited English. These workers often bring their families to Buena Vista and have been struggling to find and afford housing for themselves and their families.

How does the airport impact Buena Vista's economy?

The airport plays a significant role in Buena Vista's economy, contributing a total economic impact of \$3,078,973 in 2013. This includes \$1,521,972 from airport administration and \$1,557,000 from general aviation visitor spending. The airport also supports 26 direct and indirect employees, underlining its importance to the local job market. The airport maintains a partnership with the Chaffee County Economic Development Corporation, helping to integrate its operations with the broader regional economy.

Funding for the airport primarily comes from the airport enterprise fund, with fuel sales being the largest revenue source, bringing in \$1,112,749 in 2016. The airport often secures grant funding from both the Colorado Department of Transportation (CDOT) and the Federal Aviation Administration (FAA). A detailed financial analysis is included in the 2016 business plan, though more recent data may be available. An overview of the airport's funding plan is provided on page 134 of the Airport master plan.

How are BV's schools educating and training the town's future workforce?

Buena Vista High School offers several educational opportunities that help students prepare to join the workforce and/or pursue higher education. 80% of students take industrial arts classes offered by the school, the largest percentage in the state.

Many students are currently a part of Buena Vista's workforce. School district staff report that kids ages 14 and up are working at least 40 hours per week in the summers in recreation and tourism-related jobs. Staff also report that it is challenging to retain students as part of the workforce following graduation due to limited job opportunities and affordable housing in the area.

What groups in the community are working on economic development initiatives?

Several groups in Buena Vista are engaged in economic development initiatives. The Buena Vista Chamber of Commerce is focused on supporting economic development by advocating for small businesses, improving transportation infrastructure, and addressing workforce housing issues. The Chamber is also working to revive community events and enhance collaboration with the town government to ensure that development benefits the entire business community. Through these efforts, the Chamber seeks to strengthen the local economy and foster a more inclusive environment for businesses, particularly locally owned small businesses, in Buena Vista.

Chaffee County Economic Development Corporation is also an important champion for economic development in Buena Vista. Their mission is as follows: "The Chaffee County Economic Development Corporation's mission statement is to assure that Chaffee County is open for business and promote the retention, expansion, and creation of jobs." The organization operates Central Mountain Entrepreneurs, a local business accelerator, as well as offers workforce development and training opportunities, facilitates community investment, serves as a coordinating entity and technical assistance provider for businesses and local governments, and as a lobbying group.

There was formerly an Economic Vitality Board that no longer meets. There may be potential to revamp this group in the future.

What kinds of funding mechanisms (TIFs, BIDs, etc) and designations does the town have access to?

As shown in Figure 9, Buena Vista is located in an Opportunity Zone. These 126 zones, designated by the State of Colorado, help encourage private investment in low-income areas of the state. Private investors who invest in real estate and business projects in these zones can access financial incentives, such as deferment of capital gains taxes.



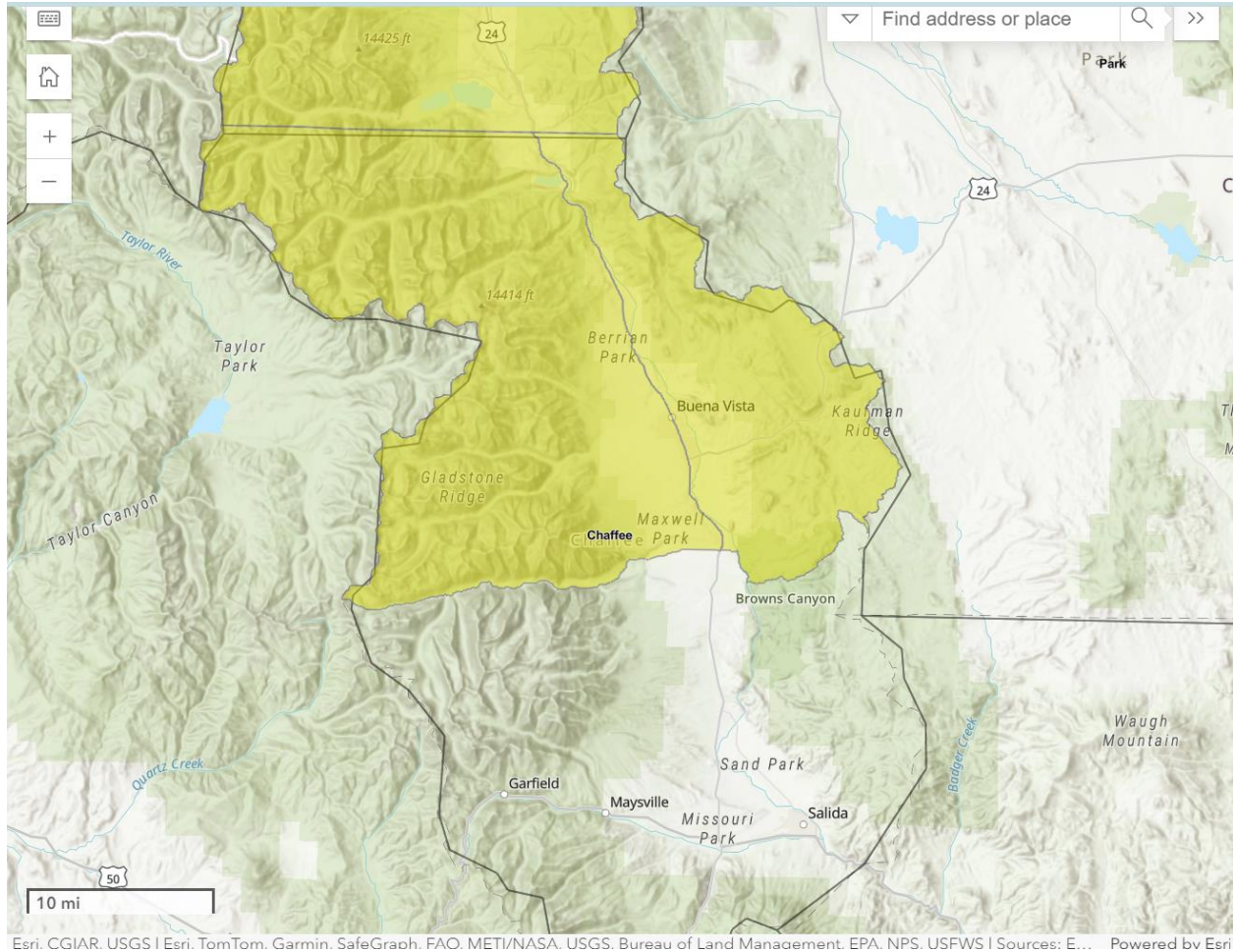


Figure 9. Opportunity9 Zone Location, Chaffee County

The County is also designated as an Enterprise zone. This designation helps local businesses access tax credits for hiring new employees, providing job training, rehabilitating commercial buildings, and more.

Conclusions & Initiatives from Recent Planning

Past Plans

2017 Economic Development Master Plan

This plan cited housing as a primary barrier to economic growth and development. Childcare was mentioned as well, but not to the same degree. The plan included a recommendation to create an area tourism board, funded through local lodging tax revenue (as done in Pagosa Springs) or a local marketing district.

Primary industry opportunity areas identified included:

- Biotech

- Remote/location neutral workers
- Finance Professionals
- Geothermal
- Tourism
 - Curated winter tours
 - Increased collaboration with Mt. Princeton
- Drone/UAS
- Light Manufacturing, Manufactured Homes
- Housing

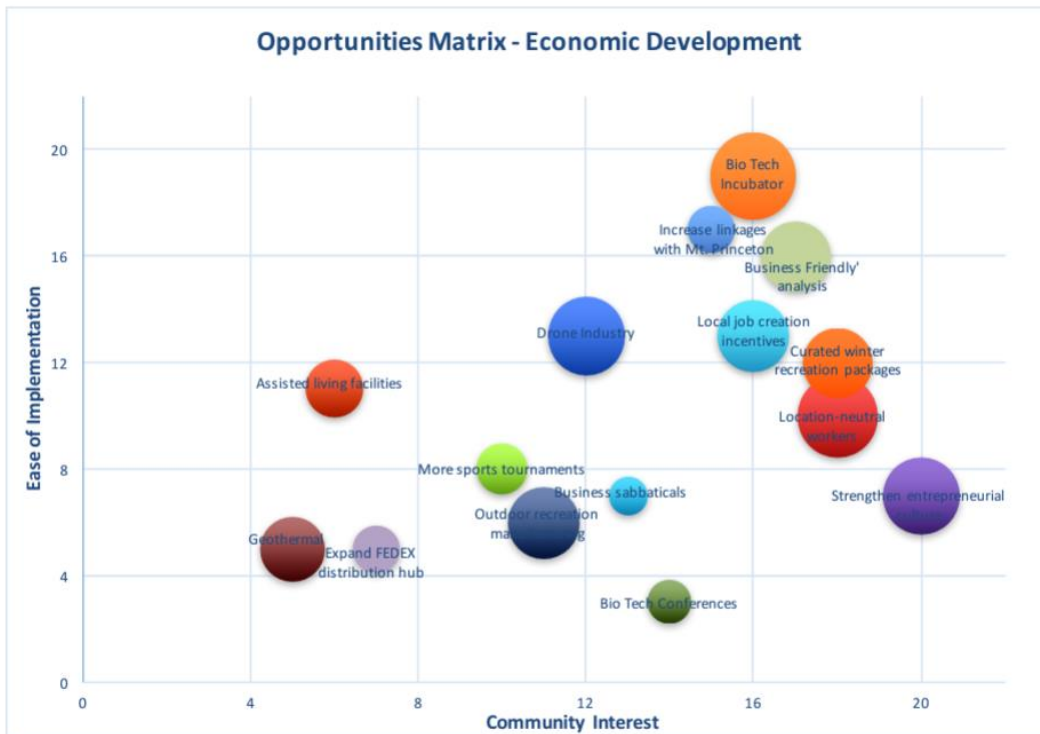


Figure X10. Opportunities to develop the Buena Vista economy, 2017 Economic Development Board Study



Figure X11. Opportunities to develop and support Buena Vista community needs, 2017 Economic Development Board Study

2015 Comprehensive Plan

The following elements of the 2015 Buena Vista Comprehensive Plan relate to economic development.

- Goal: Make Buena Vista “stickier,” attracting and holding guests for longer stays. Improved signage, building standards, etc. to attract Highway 24 drivers.
- 70% of general fund came from sales tax. Has a capital improvement fund, supported by a .5% dedicated sales tax, generating about \$325,000 annually. Two self-funded enterprise funds: Airport Enterprise Fund, Buena Vista Water Fund.
- Partnerships with Chamber of Commerce, Main Street Program committees, Chaffee County Economic Development Corporation.
- Action item to develop commercial design standards for Highway 24 corridor, downtown core, and other appropriate districts.
- Action items to seek year-round recreational opportunities and businesses.

- Airport Master Plan, Airport Business Plan, support appropriate uses in commercial area near the Airport.
- Support school district as a tool of economic development – affordable housing, increase fee-in-lieu schedule for market-rate residential development, renovate buildings to provide for community needs (old gym could be converted into an event/gathering space)
- Increase mixed-use opportunities through new district and/or updated LUC provisions
- Create a framework to determine types of development that city will invest infrastructure for, otherwise development pays its own way
- CDOT Access Control Plan
- Civic Center project to be located on E Main, all other municipal buildings to be on E Main

2023 3-Mile Plan

The plan identifies the Municipal Services Area and ten Areas of Desired Growth, several of which include an expansion of commercial activity if they are to be annexed. These areas specifically include Johnson Village Commercial Area, the North Gateway Area, and the Airport area.

2015 Collegiate Peaks Scenic Byway Plan

The Collegiate Peaks Scenic Byway stretches 57 miles, connecting the towns of Buena Vista, Poncha Springs, and Salida. In this region, the top business sectors by number of businesses include services, retail, construction, and finance, with services being the dominant sector, also employing the largest percentage of the workforce. In Buena Vista, construction stands out as a significant employer, and the town has the distinction of being Colorado's first Fair Trade Town, certified in 2010 for its commitment to fair pricing for producers.

Economic recommendations for Buena Vista focus on preserving scenic views, agricultural lands, and trail connections. Efforts include establishing agricultural conservation easements through organizations like the Land Trust of the Upper Arkansas and the Colorado Cattlemen's Agricultural Land Trust. The recommendations of this plan encourage the Town to support local produce and animal protein producers through leasing arrangements and to develop value-added products such as artisanal meats, cheeses, and craft beverages.



Supportive strategies include leveraging local art, providing financial mechanisms for agriculture, sharing equipment and facilities among artisans, and securing financial support to maintain the region's scenic beauty.

Specific recommendations for Buena Vista include:

- Preserve scenic views, agricultural lands, trail connections.
- Agricultural protection conservation easements (Land Trust of the Upper Arkansas and the Colorado Cattlemen's Agricultural Land Trust)
- Agricultural Protection: Leasing to Local Produce & Animal Protein Producers
- Value-add products: artisanal meats, cheeses, alcohol, fiber goods; develop specialty niche markets
- Agricultural products: direct-to-consumer sales
- New crops: craft beverage industry inputs (hops, barley, grapes, fruit, yeast, honey, etc.)
- Agrotourism: local food hubs
- Tours & interpretation: fee-based heritage access on private property (homestead sites, wagon trail routes, mining sites, etc.)
- Visitor services: dude ranches, permitted access to private land (fishing access, weddings, u-pick produce, etc.), accommodations on private land (rentals and lodging for visitors and employees)

Chicago Ranch/Rodeo Grounds Master Plan

This plan contains recommendations to increase events held at the Rodeo Grounds and increase revenue generated at this location. Both short- and long-term recommendations for the area address economic development initiatives.

Ongoing and Future Planning

- ACA Products, which operates the gravel mine in Buena Vista, is extending their operations.
- The school maintenance building is going to be a new preschool. Funded by grant money.
- A new makerspace was recently formed called BV Made. The space operates using a membership structure and offers a variety of classes and amenities for local artists and craftspeople.

Community Values

- Widespread view that the local economy is currently too tourism-dependent



- Need for affordable housing to allow for economic development and diversification
- Desire for year-round employment industries
- Desire for more childcare opportunities
- Desire for more senior care and healthcare facilities
- Desire for vocational and trades education, including advanced STEM and civics

What's Working Well: Recent Successes

- ACA gravel yard is a big tax generator
- Lumberyard generated 120K in sales tax last year
- Main Street revitalization in the past decade – retail vacancies are very low, big economic center for the town

What's Not Working: Current Issues and Challenges

- Tourism-based economy with many seasonal, low-wage jobs; lack of year-round employment opportunities
- Challenges retaining high school graduates and young people due to lack of career opportunities and affordable housing
- Lack of affordable housing impacting ability to hire outside employees
- Labor costs are very high for employees
 - The mine reportedly can't employ local workers because of housing
- The entire airport has not been annexed; full commercial opportunities not explored. While unlikely in the near-term, full commercial air service would have a profound economic impact on the valley.
- Former CMC campus near the airport used to operate but shut down in 2019. There is public desire to have a similar trades school or higher education in the area. Closest is in Salida currently.

Ideas for the Future (Potential Recommendations)

Big Idea 1: Support the development of year-round employment opportunities

Possible recommendations include:

- Promote non-recreational tourism opportunities
- Promote year-round tourism opportunities, including the [Colorado Destination Stewardship Program](#)
- Promote non-tourism industry development, such as the expansions of healthcare, therapies, childcare, and senior care industries



- Attract year-round employers and businesses, such as recreation-related product manufacturing and clean, light manufacturing or assembly
- Reestablish the Buena Vista Economic Vitality Advisory Board and develop a Buena Vista economic development marketing plan

What could this look like?

There is a clear need to expand year-round employment opportunities and to diversify Buena Vista's economy rather than relying primarily on seasonal, recreation-based tourism. The Town should work with economic development stakeholders, including the Chaffee County Economic Development Corporation and the Buena Vista Chamber of Commerce to identify ways to develop tourism opportunities year-round, rather than just in the summer months. This could include expanding heritage and historical tourism opportunities, such as mining history tours and historical sleigh rides, expanding winter-based tourism opportunities, and supporting Buena Vista's arts industry.

It will also be important for the Town to encourage and support the development of industries other than recreation and tourism. This could include expanding healthcare, therapies, childcare, and senior care industries – all of which provide year-round employment opportunities and support the Buena Vista workforce and resident population, making year-round residency more feasible. Other year-round employment industries, such as clean, light manufacturing or assembly and recreation-related product manufacturing, should be explored.

The Buena Vista Economic Vitality Advisory Board, along with other boards and business groups, was instrumental in the revitalization of East Main Street. This Board should be reestablished with the mission of championing this priority of year-round employment and business growth in Buena Vista. One outcome of this board could be developing a marketing plan for the Town to attract new industries and businesses and foster economic diversification.

Big Idea 2: Support the development of local facilities & community assets that encourage new industries

Possible recommendations include:

- Investigate the feasibility of a Recreation & Events center
- Performance spaces to support artistic economy
- Explore the market demand for a commissary kitchen and other food industry-related facilities
- Revitalize historic buildings and properties, such as the Pearl Theater and the Courthouse



What could this look like?

Local facilities and community assets can be developed to both serve the local community and encourage economic diversification and the growth of new industries. A recreation and events center has been discussed for many years and was studied in 2015. If developed, it would provide opportunities for economic growth by providing a space for new events to take place. Additionally, the town could support the development of performance spaces to support Buena Vista's artistic economy, or a commissary kitchen to support the town's considerable food industry.

The revitalization of historic buildings and properties, such as the Pearl Theater and the Courthouse provides building spaces to support the artistic economy and other new industries. The Town should collaborate with the Historic Preservation Commission to identify relevant properties and funding opportunities for their revitalization.

Big Idea 3: Harness the Central Colorado Regional Airport as an economic driver

Possible recommendations include:

- Commercial activity surrounding Airport property
- Annex the rest of the airport property into the Town
- Restore rental car business at the Airport
- Airport revenue generation through wildfire staging, high-elevation testing, unmanned aerial systems
- Expand charter flight services
- Commercial flight viability only if population of Buena Vista expands trifold

What could this look like?

The town should work closely with the Central Colorado Regional Airport to define its role as a local and regional economic driver. This includes the type of activities directly overseen by the airport, including the types of flights serviced, as well as other commercial activities at the airport, such as the high-altitude testing and wildfire staging. This also includes economic activity not overseen by the airport but closely related, such as the commercial use of land surrounding the airport.

The Town should consider annexing the rest of the airport property into Town limits to reduce jurisdictional complications and enable further development at the airport in the future. The Airport Advisory Board and the Town should explore resident sentiment about the role of the airport in economic development and the types of services offered.



Big Idea 4: Use zoning and land use regulations to encourage economic development

Possible recommendations include:

- Rezone areas in south town to expand industrial, commercial, and housing opportunities
- Allow workforce housing with businesses in south town
- Continue to allow home occupations and shared office uses
- Enable desired uses by right in zoning regulations, such as healthcare, childcare, and senior care

What could this look like?

Zoning and land use regulations are one of the Town's most versatile tools to encourage economic development. The Town could unlock new economic opportunities by working with property owners to rezone areas ripe for commercial and industrial development, such as the area surrounding the airport and the mine in the southern part of the Town.

The Town should update zoning and land use regulations as needed to reduce regulatory barriers for desired uses, such as healthcare, childcare, and senior care facilities, which support the economic development of the Town. Likewise, the Town should examine mixed-use and workforce housing regulations and consider allowing workforce housing to be developed alongside businesses in the southern part of Town.

The Town should also continue to support self-employed and remote workers by allowing home occupations and shared office uses.

Big Idea 5: Pursue an economic development funding mechanism for Highway 24

Possible recommendations include:

- Explore feasibility of a Tax Increment Financing Mechanism
- Explore feasibility of a Business Improvement District

What could this look like?

The economic development and revitalization of Highway 24 has been identified as a priority for the Town. There are several funding mechanisms available to the Town to implement this revitalization, including establishing Tax Increment Financing or a Business Improvement District. Tax Increment Financing is a financial mechanism in which the Town effectively borrows against future increases in property tax revenues by investing in an area to spur new development and property value increases. A Business Improvement District establishes fees or taxes on businesses and properties within the district to invest in collective economic benefits, such as infrastructure improvements. The Town should



explore the development of either of these funding mechanisms for the revitalization of the Highway 24 corridor. Further analysis may be needed to determine the ideal bounds of this district.

Big Idea 6: Connect local businesses with existing resources and technical assistance to improve their financial viability and overall sustainability

Possible recommendations include:

- Encourage use of [Colorado Enterprise Zone Program](#) business tax credits and incentives
- Encourage use of [Central Colorado Small Business Development Center](#) resources
- Encourage use of [Chaffee County Economic Development Corporation Workforce Development & Training](#) resources, including the [Central Mountain Entrepreneurs](#).
- Explore Colorado Department of Local Affairs, Buena Vista Chamber of Commerce, and Southern Colorado Economic Development District resources

What could this look like?

Support for small and growing businesses in Buena Vista is important for healthy economic development and the expansion of year-round employment. There are many resources that exist to support these businesses, but they are not always the most accessible. The Town and the reestablished Economic Vitality Advisory Board should work with local businesses to identify their needs and connect them with the relevant resources, some of which are listed above. These resources include workforce development, training, education, business tax credits and incentives.