

Town of Buena Vista

Economic Assessment

Phase 1 Report



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1 | Executive Summary

The Phase 1 Report of Buena Vista's Economic Development Strategic Plan is focused on providing an extensive, analytical, community-perspective analysis of the Town. The Phase 1 Report answers the question: "Who are we?"

Buena Vista is a town teeming with potential. The Town has a lot going for it and has already accomplished much. The revitalization of Main Street represents an amazing downtown renaissance. The Town is full of bright, energetic, capable, entrepreneurs who are engaged in improving their community. The entrepreneurial climate is robust—new retailers and restaurants are high-quality operations. Sales tax is climbing and the population is increasing. When stakeholders were asked to rate the quality of life in Buena Vista and its culture, the ratings were 9.3 and 8.3 (out of 10), respectively. People love living in Buena Vista!

There are a few challenges, however. Median household incomes are low. Many families are struggling financially. There is a shortage of housing, which is driving up prices. Families already struggling with low incomes are being priced out of the market. The age group of 25 to 44 is underrepresented in the population compared to the State averages. Missing this important workforce demographic group puts pressure on the labor market. Businesses are having difficulty finding and retaining quality employees. There are some fissures forming among the different geographic business areas of the Town and this simmering discontent could threaten the community's outstanding spirit and the business esprit de corps.

The report provides details about these and other elements that define Buena Vista.

Buena Vista



2 | Strategic Plan Process

The Phase 1 report is intended to answer the question: “Where Are We?” It is a comprehensive review of economic, demographic, business and industry data, and interviews with community stakeholders (44 interviewed in Phase 1). The empirical data was synthesized with anecdotal information to present a clear vision of the current state of the Town.

The Phase 1 report will be provided to the Economic Vitality Advisory Board (EVAB), which will review the draft, suggest changes, and request clarifications. The final, edited report will then be presented to the Town, which will make it available to the public.

There will be a community presentation where the results from the Phase 1 will be presented and feedback from the community will be solicited. This is a great opportunity for the larger community to participate in the process and for their insights to refine the recommendations presented in Phase 2.

The Phase 2 report will answer the question: “Which direction should we go?” The Phase 2 report is scheduled to be delivered seven weeks after the finalization of the Phase 1 Report. The second report focuses on the SWOT analysis, which defines the universe of realistic possibilities for the Town and then prioritizes those opportunities by target industries that have the most merit.

The draft of the Phase 2 report will be presented to the EVAB, which will discuss the merits and potential of the different possibilities. These discussions are critical in narrowing down the broad range of possibilities into prioritized recommendations.

The edited Phase 2 report will be presented to the Town, which will make it available to the public.

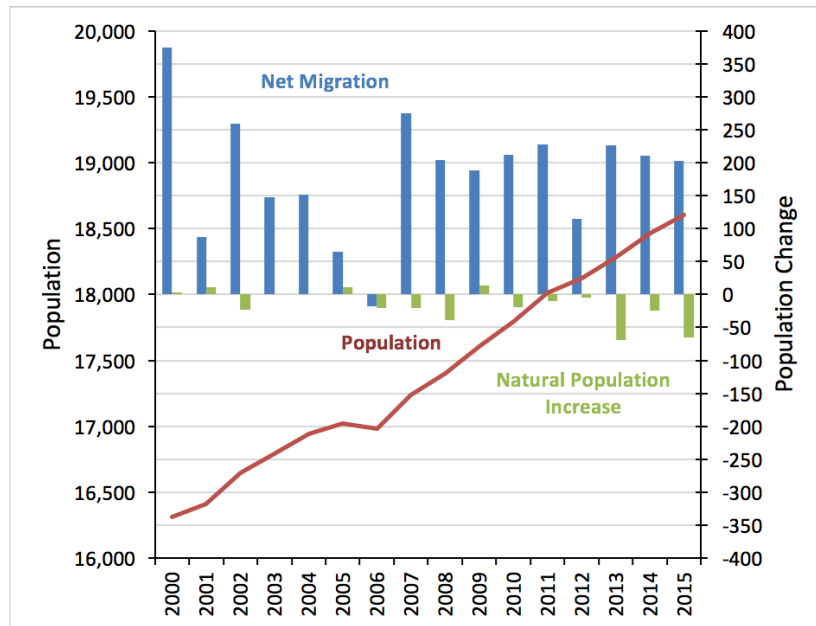
The Phase 3 Report answers the question: “How do we get there?” The Phase 3 report is anticipated to be delivered six weeks after the completion of the Phase 2 report. The third report presents two to five specific recommendations that will 1) move the Town towards its long-term goals, 2) be achievable, and 3) will be catalysts for growth and development.

The Phase 3 report will be presented to the EVAB, which will review the report and suggest changes or request edits. The final report will be presented to the Town, which will make it available to the public.

3 | Demographics & Employment

Population Trends

In-migration & out-migration



Source: DOLA 2015

Figure 1: Chaffee County Population 2000-2015

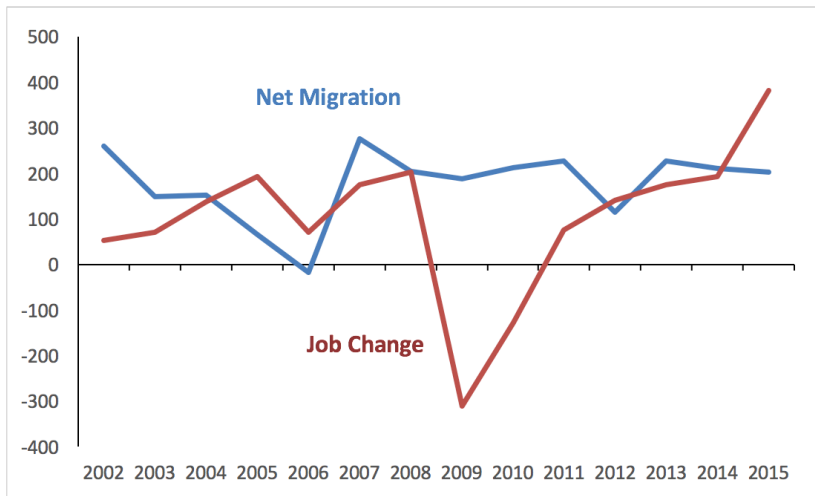
Population is a key component of a local economy's productive capacity. An increase in the size or skill level of the local labor force typically increases the output of the economy.

Net migration is the difference between immigration into and emigration out of an area during the year; natural population increase is the difference between the number of live births and

the number of deaths during the year. As of 2015, the population of Chaffee County (the County) is estimated to be 18,604. The population for the Town of Buena Vista (hereafter referred to as "the Town") is estimated to be 2,759. While many rural counties throughout the State experienced a decline in population during the Great Recession, Chaffee County experienced positive migration, growing by an average of 206 residents (net migration) per year between 2007 and 2015. The growth in population during that time due to immigration, however, was offset by a decline in the natural population because deaths have exceeded the number of live births for the nine out of the past ten years.

Migration and Job Change

Figure 2 depicts net migration and the net increase or decrease of jobs in Chaffee County. Net migration tended to mirror changes in jobs with the exception of 2009 where population did not follow with the significant decrease in jobs. Jobs decreased during this time by approximately 550 jobs while net migration remained constant at approximately 206 residents per year. This indicates that County residents prefer to live in the area even during periods of decreased economic activity. Anecdotal evidence provided by primary stakeholders in the community confirms this idea, with many stating that "residents work four or five jobs to make it work here."

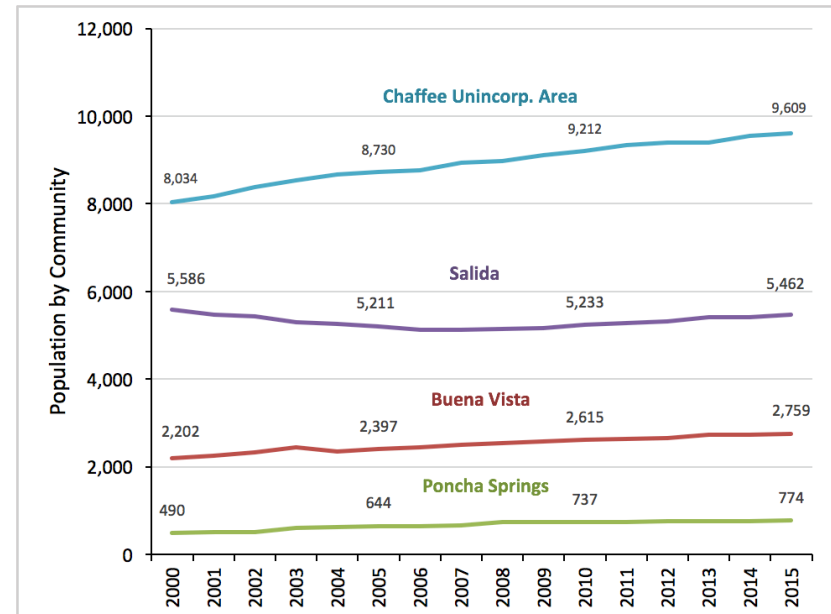


Source: DOLA 2015

Figure 2: Chaffee County Net Migration and Job Change 2000-2015

Figure 3 depicts the populations of the individual communities located within Chaffee County between 2000 and 2015. The population of the unincorporated area of the County has consistently been greater than the combined population of the Town's three incorporated areas, which include two towns (Buena Vista, Poncha Springs) and one city (Salida).

Buena Vista experienced an increase of 510 residents between 2000 and 2015. This is equal to a compounded annual growth rate (CAGR) of 1.01 percent. The County grew at an CAGR of 1.00 percent during the same period. The Town of Salida experienced a net decrease in its population of 124 over the same period. The population growth rate of the Town of Buena Vista is consistent with that of other rural mountain towns such as Gunnison and Pagosa Springs.

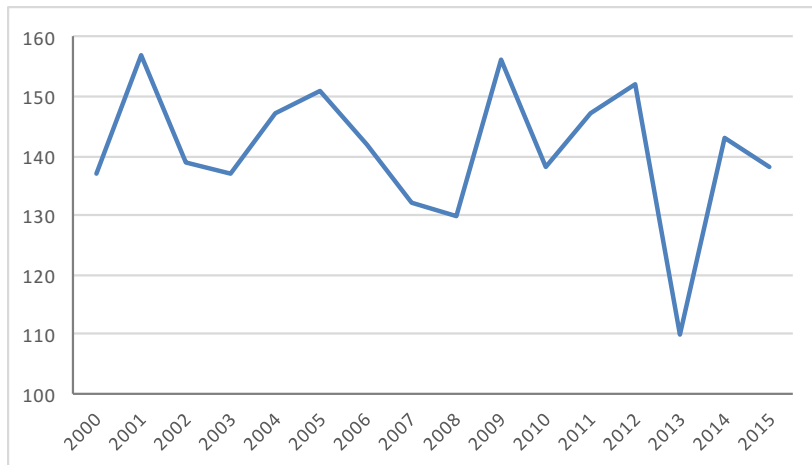


Source: DOLA 2015

Figure 3: Chaffee County Population by Community 2000-2015

Birth Rate

The County experienced an average annual birth rate of 141 between 2000 and 2015. Figure 4 shows that there was a dramatic decrease in the number of births during 2013, but the birthrate returned to a relatively normal level in 2014.

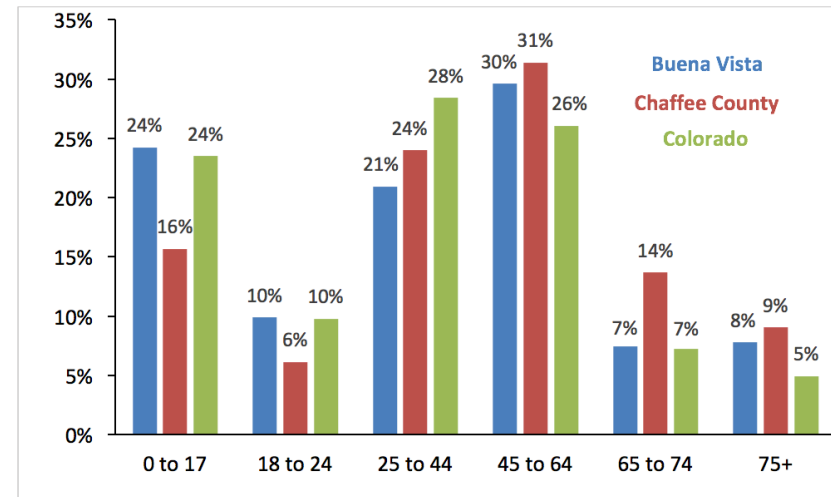


Source: U.S. Census

Figure 4: Chaffee County Birthrates 2000-2015

Age Distribution and Millennials

Buena Vista's population distribution is similar to the State's except that the Town has significantly fewer people in the 25 to 44 age category. Twenty-eight percent of the State's population fits into this age category versus only twenty-one percent in Buena Vista. The Town exceeds the Statewide distribution in the 45 to 64 and 75+ age categories.

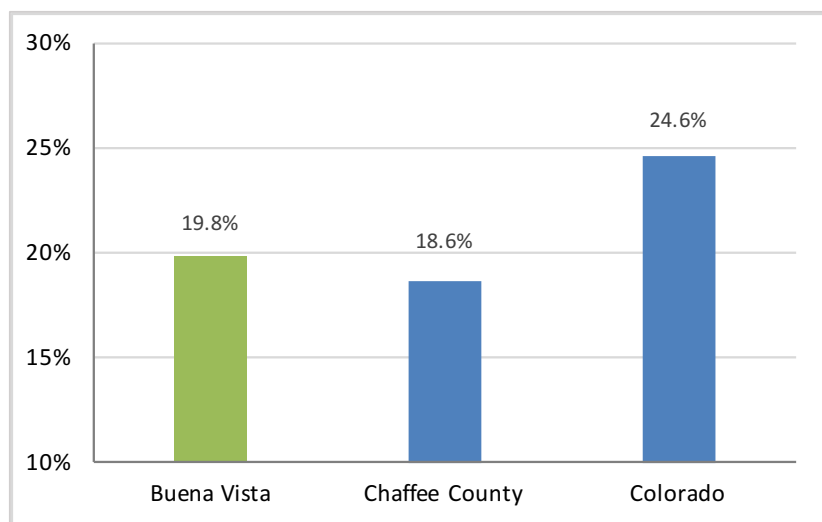


Source: DOLA 2015

Figure 5: Regional Age Distribution Comparison 2015

Millennials

The relatively low numbers in the 25 to 44 age category is concerning because this category typically provides the entrepreneurs, young business owners, and those who will shape the future of the community. This age category includes millennials, who currently represent half of the world's population. Young people's choices, experiences, drive, and preferences help shape the image of cities. As of 2015, millennials (Generation Y) are between 18 and 34 years of age. An analysis of this specific age category is shown in Figure 6.



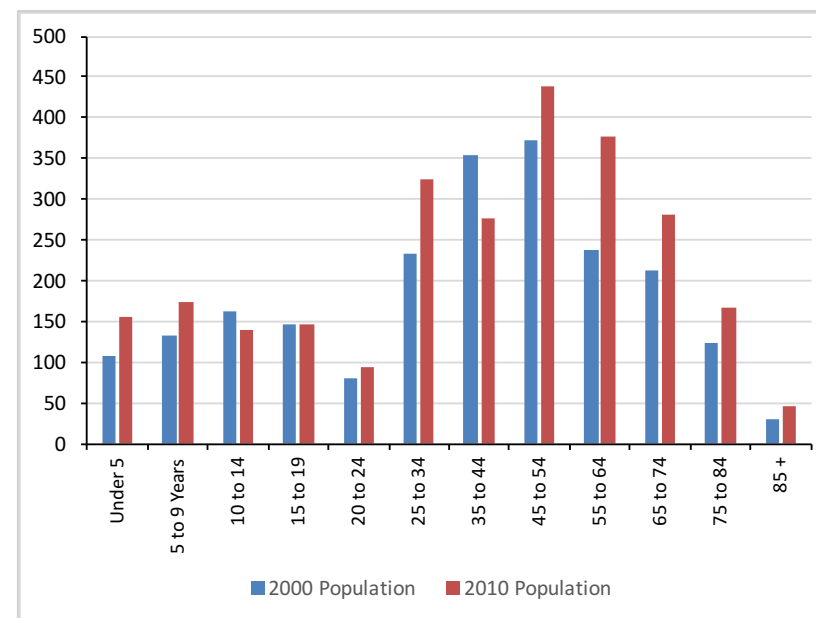
Source: DOLA 2015

Figure 6: Millennial Population

Both the County and the Town have a relatively low number of millennials when compared to the State. Interestingly, however, the number of youth and young adults between 0 to 24 is close to the State average.

The Town's change in age distribution from 2000 to 2010 is depicted in Figure 7. Significant changes in age distribution over this time period include a decrease in those in the 35 to 44 age category and an increase in the 25 to 34, 45 to 54 and 55 to 64 age categories. The current (2015) median age for the Town is 40.1 compared to the State median age of 37. The median age for the County is 48.1, which is more than ten years above the State median age. This increase in the senior population, accompanied by a high median age, supports the idea that the

Town has a relatively low percentage of millennials in its population.

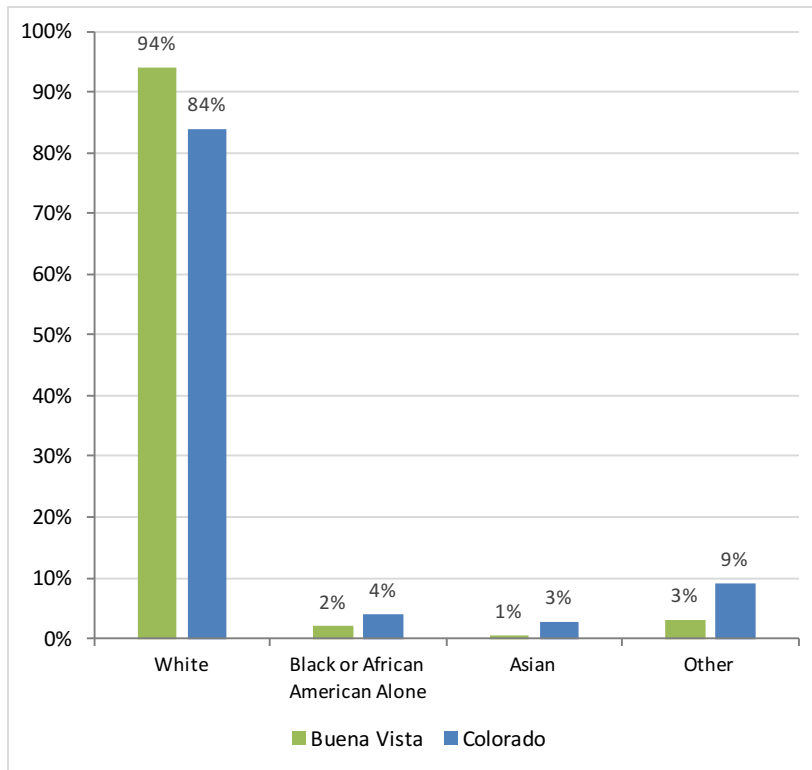


Source: ACS 5-Year Estimate

Figure 7: Buena Vista Age Distribution for 2000 and 2010

Racial Diversity Trends

Figure 8 shows that the Town's population is more ethnically homogenous than the State as a whole.



Source: U.S. Census

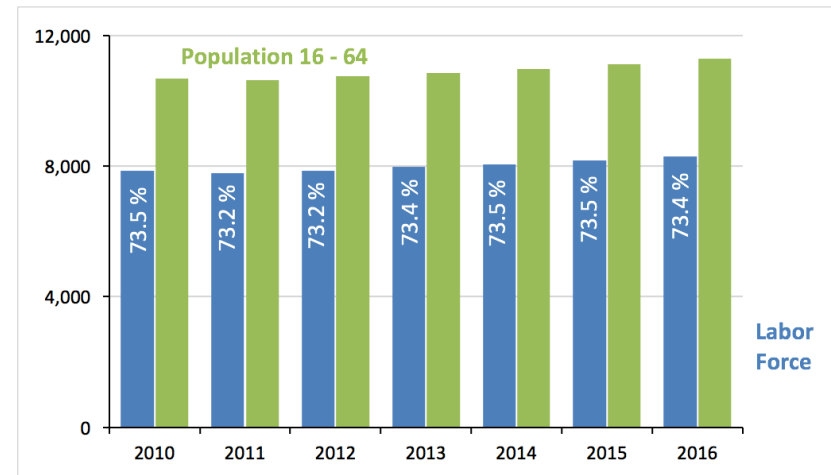
Figure 8: Population by Ethnicity 2014

Employment

Workforce

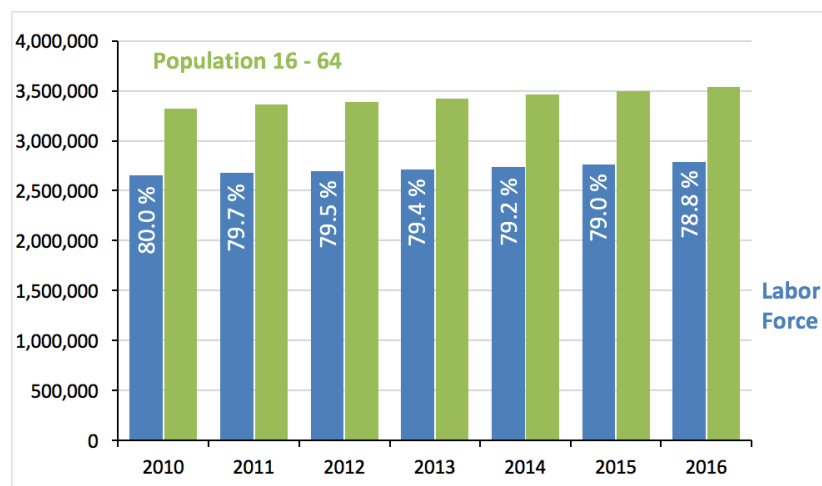
The County labor force consists of those individuals (typically 16 or older) who are either employed or actively seeking employment. As shown in Figure 9, the portion of the County population in the labor force is an estimated 58.6 percent in 2016. The labor force participation rate (LFPR) has been

decreasing at a slow, consistent pace for the past six years. Overall, the County's LFPR is approximately one percent lower than it was six years ago.



Source: DOLA

Figure 9: Chaffee County Labor Force Participation 2010 - 2016



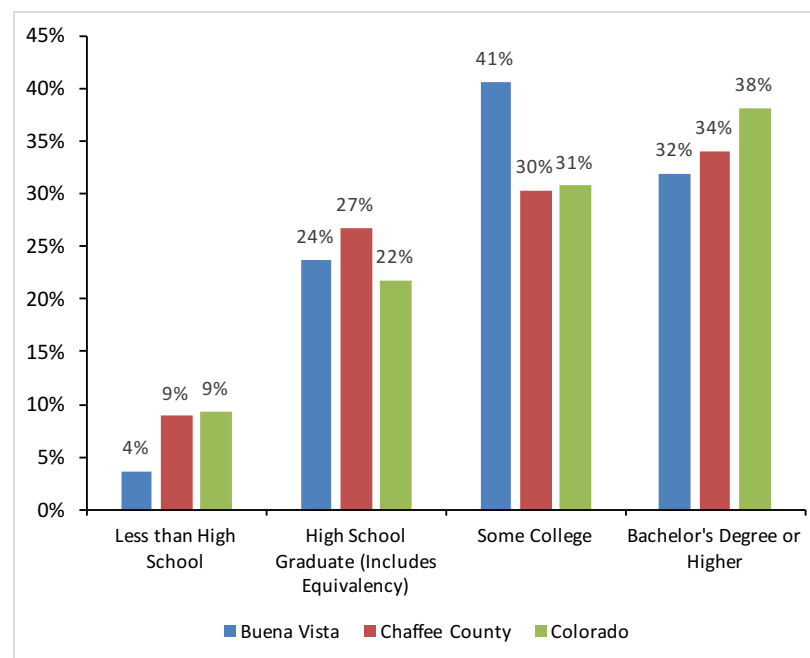
Source: DOLA

Figure 10: Colorado Labor Force Participation 2010 - 2016

The County's LFPR been ten to eleven percent lower than the State average over the last six years. The LFPR for both the County and the State have been decreasing at a similar rate of approximately 0.4 percent each year. The decrease in the LFPR can be partially explained by the retirement of the baby boomer generation.

Education Level of Workforce

As shown in Figure 11, forty-one percent those age 25+, have attended some college and 32 percent have earned a bachelor's degree or higher. In comparison to State levels of education, the Town's labor force has a much higher level of those who have attained some college but a lower level of those who have completed a bachelor's degree or higher.



Source: ACS 5-Year Estimate

Figure 11: Educational Attainment for Those 25+ (2016)

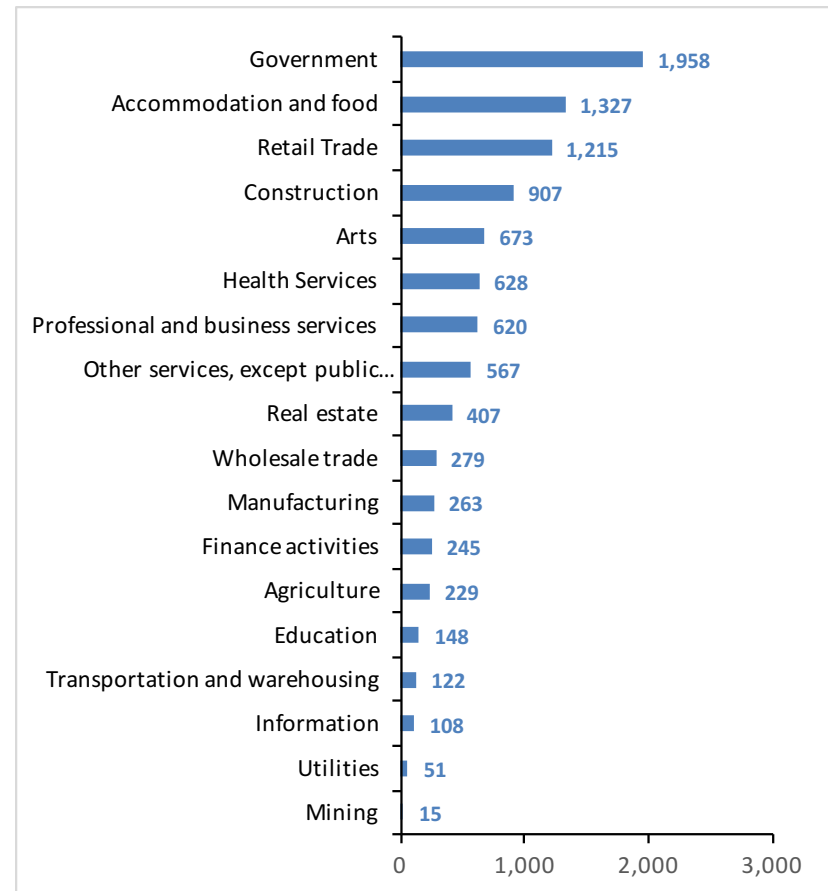
Industry in Chaffee County

To be robust, stable and vibrant, an economy needs a diverse mix of industries that both provide for local residents' needs and are able to attract outside sources of revenue.

According to the Department of Local Affairs (DOLA), the County had approximately 9,954 total jobs in 2015. The most prominent industries in the County in terms of number of jobs are government, accommodation and food, retail trade, and construction. Thus, the Town's economy relies heavily on lodging, restaurants, and general retail sales. Figure 12 shows

the number of jobs across all major industries for employers located in the County. Two industries, including “management of companies and enterprise” and “admin and waste,” were small enough in terms of jobs that the information is suppressed in order to protect proprietary information.

The fact that government has approximately 47 percent more jobs (631 jobs) than the next highest category, accommodation and food, is disconcerting. However, this prominence of government-related jobs is consistent with the State.



Source: DOLA 2015

Figure 12: Chaffee County Jobs by Industry 2015

Collegiate Peaks



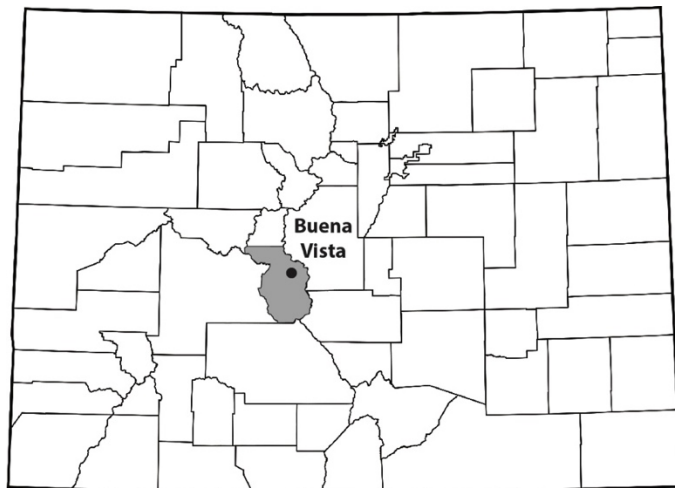
3 | Competitive Differentiation

Inventory of Assets

The Town and the surrounding area (Leadville, Aspen, Breckenridge etc.) is a major destination for tourists and outdoor enthusiasts. A brief overview of the area's natural assets is provided to help summarize those characteristics that set the Town apart from surrounding communities.

Natural Assets

Buena Vista is a statutory Town located in Chaffee County, Colorado. Map 1 displays the Town's location within the County (gray).



Map 1: Chaffee County and Town of Buena Vista

The Town and surrounding area feature many beautiful natural assets, including the Arkansas River, Collegiate Peaks Wilderness, and various lakes, ponds, and streams. The valley in which the Town is located is surrounded by mountains, ridges, and peaks.

Arkansas River

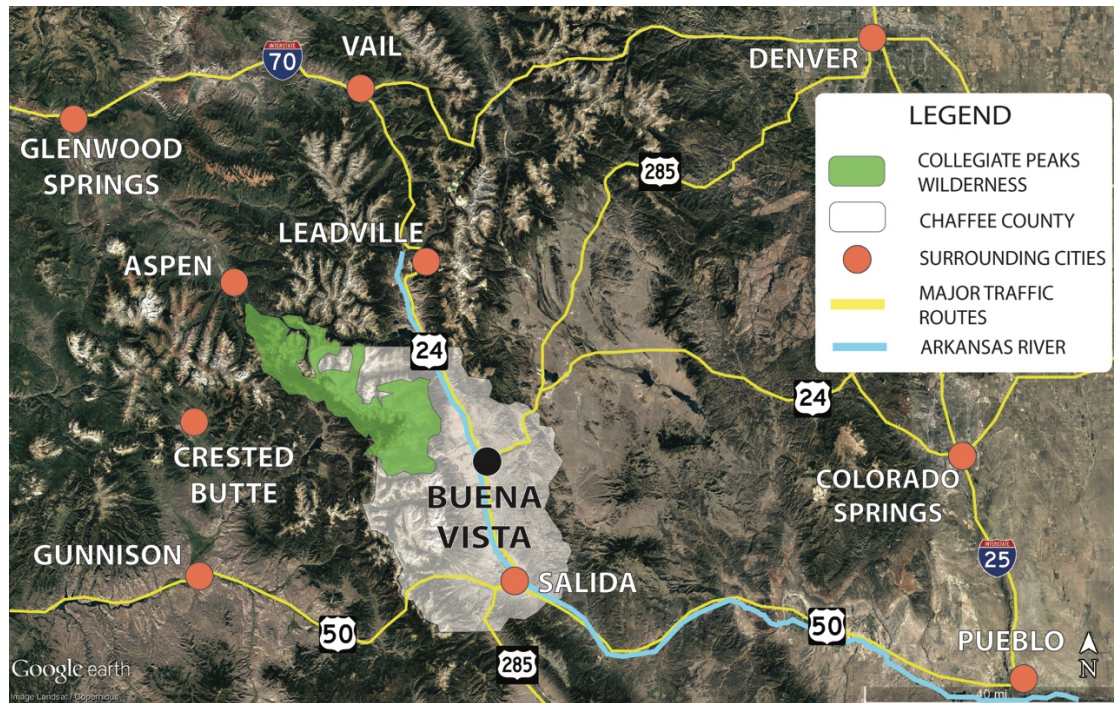
The Arkansas River ("The River") is a major tributary of the Mississippi River. Its headwaters originate in the Sawatch and Mosquito mountain ranges, which surround the Town of Leadville (34 miles North of the Town) in Lake County, CO. Deep snowpack in these mountains (including multiple peaks over 14,000 ft.) provide the River with a steady flow throughout the year. The confluence of Tennessee Creek and the East Fork Arkansas Rivers near Leadville mark the beginning of the River.

The river experiences a drastic change in elevation, including multiple steep, fast-flowing sections which support extensive whitewater rafting. The Town is located near some of the River's most famous rafting stretches, including "The Numbers," (near Granite, CO) and Brown's Canyon (17 miles South of the Town). Approximately 15 rafting outfitters located in the Town offer tourists and outdoor enthusiasts the opportunity to raft the river with experienced guides. Fly fishing is also popular along the Arkansas and other nearby rivers and streams.

Collegiate Peaks Wilderness

The Collegiate Peaks Wilderness is a section of the Sawatch Mountain Range and includes some of the highest mountains in the Rockies. The area was designated as a Wilderness by the U.S. Congress in 1980 and now features a total of 165,864 acres. The Wilderness is managed by the U.S. Forest Service. Nine of the seventeen peaks located throughout the Collegiate Peaks section of the Sawatch Range are above 14,000 ft. and are a popular destination for hikers and backpackers. These peaks

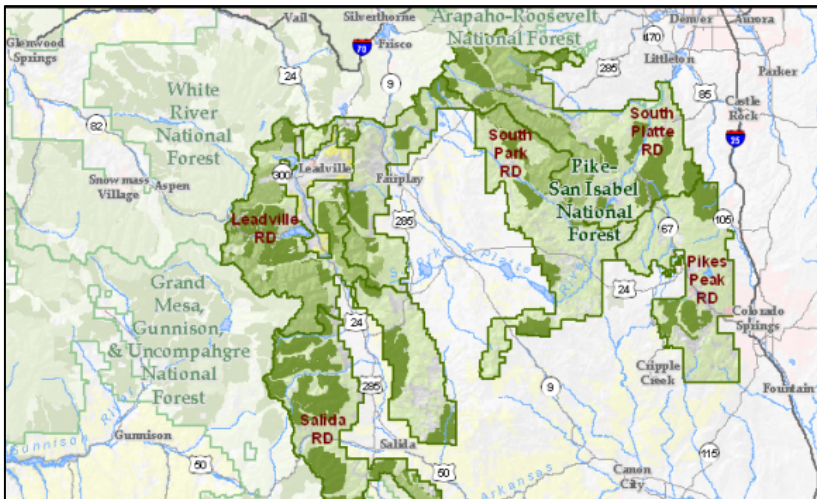
were named for prominent universities and thus feature names such as Mount Harvard, Mount Princeton, Mount Yale, etc. Popular recreational activities in the Collegiate Peaks include: fishing, backpacking, hiking, hunting and camping. Map 2 displays the Town's proximity to major cities, traffic routes, and natural assets.



Map 2: Natural Assets and Nearby Cities

Pike-San Isabel National Forest

There are many recreational opportunities in and near Buena Vista. The U.S. Forest Service has done extensive research into recreational activity and usage in the Pike-San Isabel National Forest - the closest forest area surrounding the Town. The findings, which cover an area much larger than the outdoor recreational area immediately surrounding Buena Vista, provide insight into popular activities and the number of visitors the forest receives per year.

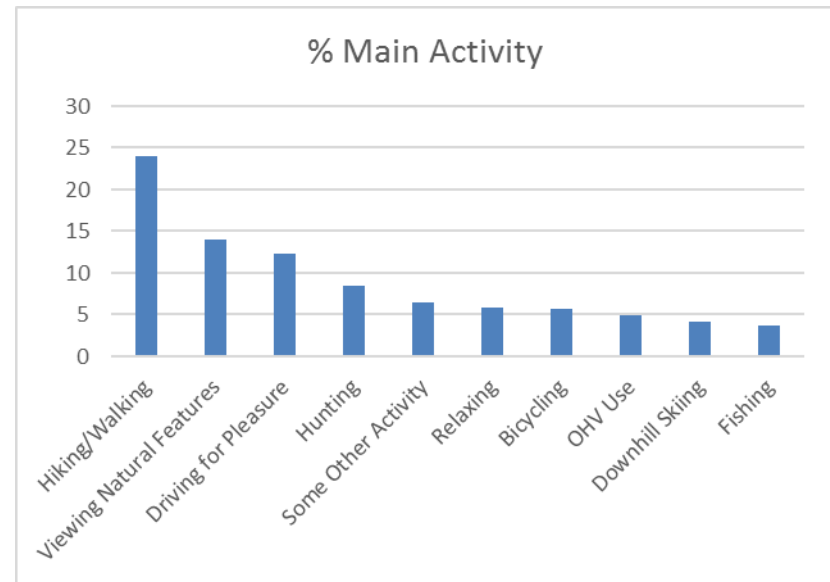


Source: roadless.net

Map 3: Pike-San Isabel National Forest

Popular Activities

The ten most popular activities for visitor of Pike-San Isabel National Forest are shown in Figure 13.



Source: USDA National Visitor Use Monitoring

Note: The figure only shows the top ten activities and does not sum to 100 percent.

Figure 13: Percent participation in popular activities

Visitors Per Year

There were more than 5.7 Million visitors to Pike-San Isabel National forest in 2015. Figure 14 shows the estimates of visits by type.

Annual Visitation Estimate	Visits (1000s)	90% Confidence Level
Total Estimated Site Visits	5743	±20.4
Day Use Developed Site Visits	946	±21.4
Overnight Use Developed Site Visits	297	±35.5
General Forest Area Visits	4281	±26.9
Designated Wilderness Visits	220	±33.8
Total Estimated Site Visits	4328	±20.6
Special Events/Organized Camp Use	30	±0.0

Source: USDA National Visitor Use Monitoring

Figure 14: Annual Visitation Estimates

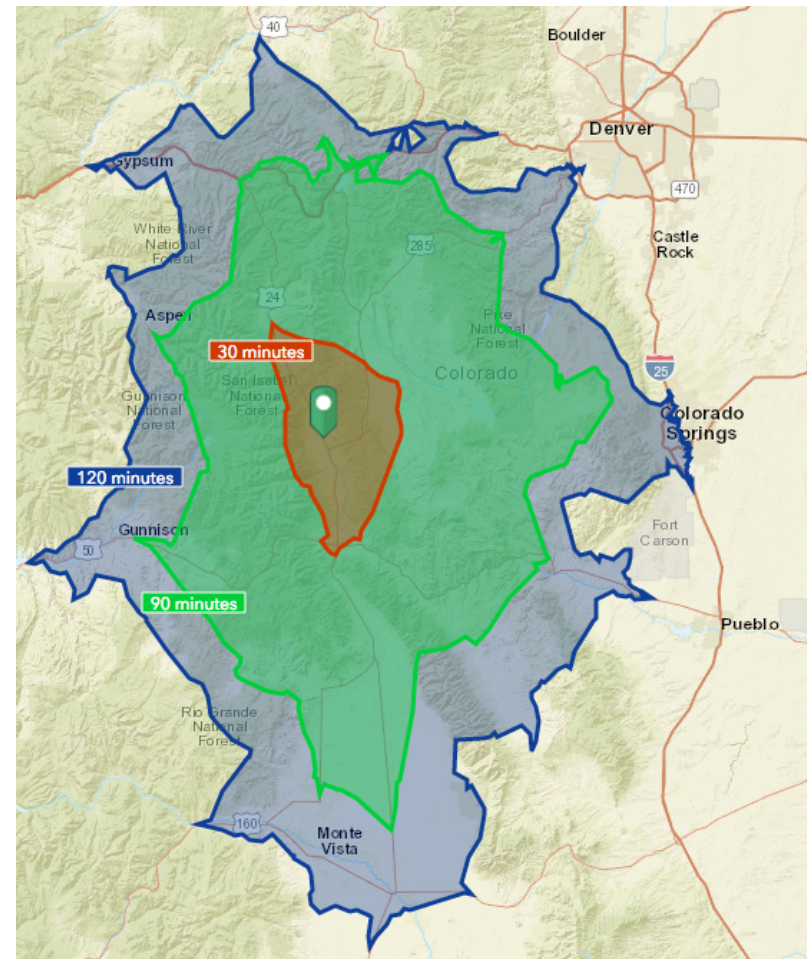
Proximity/Access

The Town is located along U.S. Route 285 and Highway 24. Route 285 connects the Town to Denver and is a north-south U.S. Highway that stretches through the states of Texas, New Mexico and Colorado. Highway 24 connects the Town to both I-70 (North of Town) and Colorado Springs (East of Town) and has an average daily traffic (AADT) count of 12,000 near its intersection with Main Street. Route 285 and Highway 24 are considered the primary traffic corridors in the County.

Resort towns and mountain destinations such as Buena Vista compete on many levels. Differentiation comes from drive time, proximity to major metropolitan areas, and the overall “drivability” of major traffic corridors.

Map 4 displays a drive time map for the Town. The drive time areas are broken out into 30, 90 and 120-minute drive time

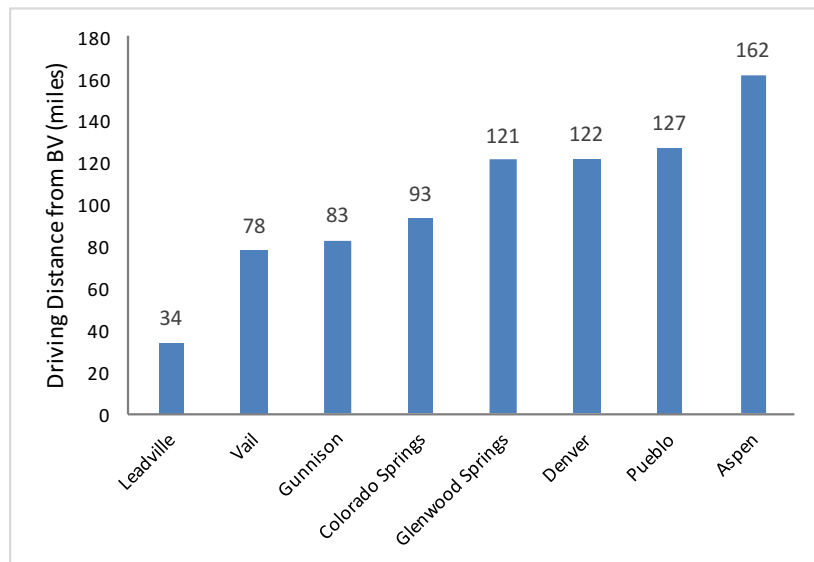
distances. For example, Gunnison is located on the outer edge of the blue area (90-minutes’ drive time distance). Thus, it would take approximately 90 minute to drive to Gunnison on an average day.



Source: Esri

Map 4: Drive Times from Buena Vista to Nearby Cities

Proximity to a major metropolitan area is an advantage for any destination or resort town community. As can be seen in Map 4, The Town is located within a two-hour drive of two major metropolitan statistical areas (MSA) - the Denver-Aurora-Bloomfield MSA and Colorado Springs MSA. The Pueblo MSA is just outside this two-hour drive time. The driving distances (in miles) from Buena Vista to various nearby cities are displayed in Figure 15.

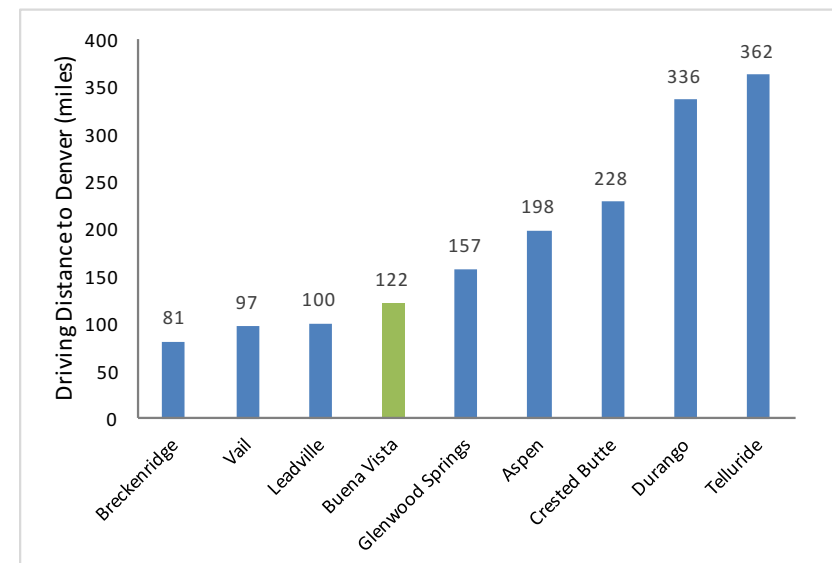


Source: Google Maps

Figure 15: Distance to Nearby Cities

The Denver-Aurora-Bloomfield (DAB) MSA is the largest MSA in Colorado and the 19th largest MSA (of 382) in the United States. The population of the DAB MSA is estimated to be 2,814,330 in

2015. Denver International Airport (DEN) is the largest airport in the United States by acreage, is the 5th busiest airport in the United States and the 18th busiest in the world. DEN has the 3rd largest domestic connection network in the country.¹ Proximity to this MSA and its airport is a major competitive advantage for resort and mountain towns located near the Front Range. Figure 16 displays the driving distances (in miles) from various popular Colorado destinations to Denver. When compared with other similar communities such as Aspen and Crested Butte, the Town has a competitive advantage with respect to its proximity to these MSAs.



Source: Google Maps

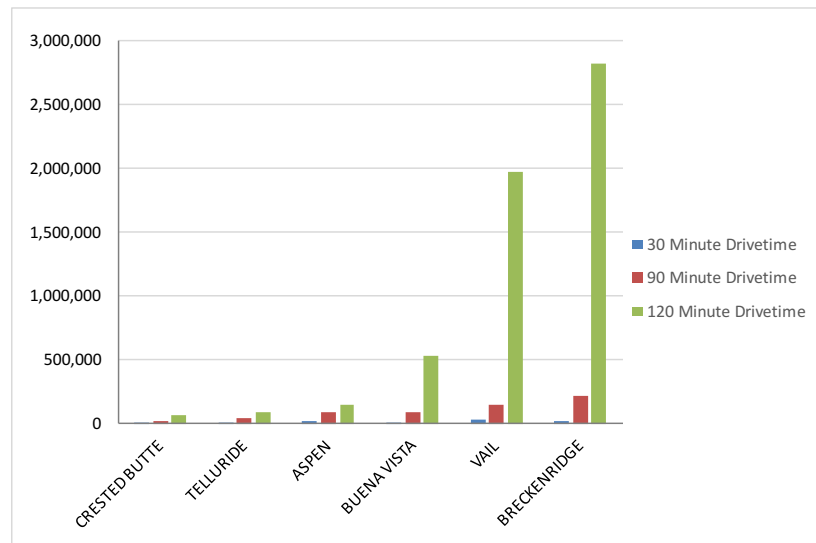
Figure 16: Proximity to Denver MSA

¹ https://en.wikipedia.org/wiki/Denver_International_Airport

Another benefit of the Town's location is the 12,000 vehicles per day that pass Main Street on Highway 24.

Market Size

Understanding the market size (population) within the various drive-time areas is also an important element in understanding whether the Town has a competitive advantage over other communities in its ability to reach a larger market. Figure 17 displays the market sizes located within 30, 90, and 120 minutes of various communities that are similar in nature to Buena Vista.



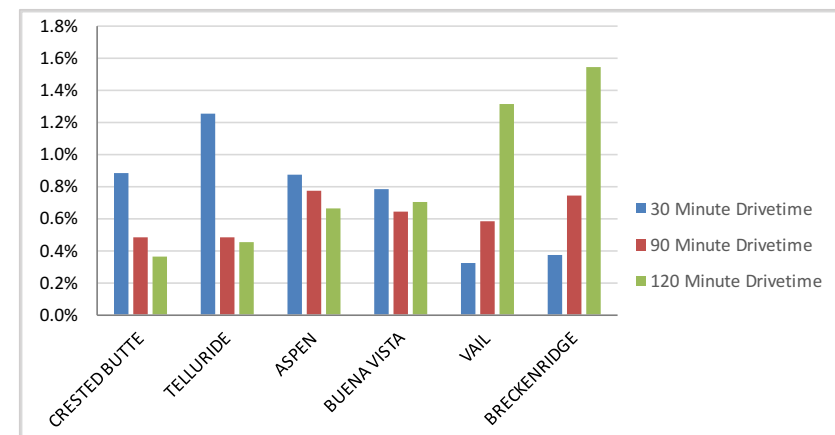
Source: Esri

Figure 17: Population (30, 90, 120 Minute Drive Times)

Both Vail and Breckenridge are located on or near I-70 and benefit from the large Denver MSA population within their 120-

minute drive time. Buena Vista also benefits from capturing a portion of the Denver MSA within 120 minutes. In comparison to other mountain Towns, such as Aspen and Crested Butte, the Town of Buena Vista has a competitive advantage in its ability to reach a larger market within 120 minutes of driving time.

The forecasted population growth rates for the next five years (2016 through 2021) with respect to the same drive times are shown in Figure 18.



Source: Esri

Figure 18: Population Growth Rates within Drive times (2016 - 2021)

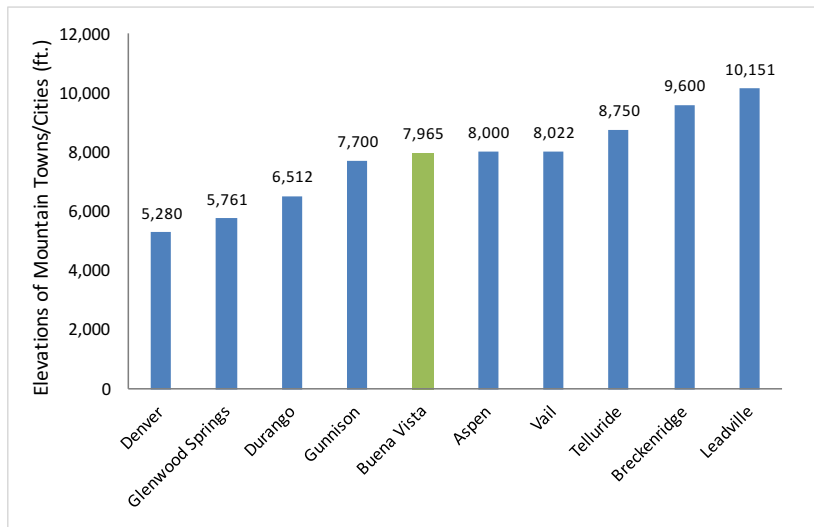
Geographical

Elevation Comparison

The Town is located among multiple mountain peaks, many of which are taller than 14,000 ft. One competitive advantage of

the Town may be its elevation, which is 7,965 ft. The City of Leadville (34 miles North of the Town) is well known as the highest City in the U.S., at an elevation of 10,151 ft. If the Town of Buena Vista were a City, it would be considered the sixth highest city in the U.S. Various economic opportunities exist for municipalities located at such elevations. Some of these opportunities include: high-altitude training camps (sports and law enforcement), testing & evaluation of liquid pharmaceutical products, altitude medicine institutions (i.e. Institute for Altitude Medicine at Telluride), high altitude unmanned aircraft system (UAS) testing, medical high altitude simulation tests (HAST), etc.

Figure 19 displays the various elevations associated with well-known resort and mountain Towns located throughout Colorado.



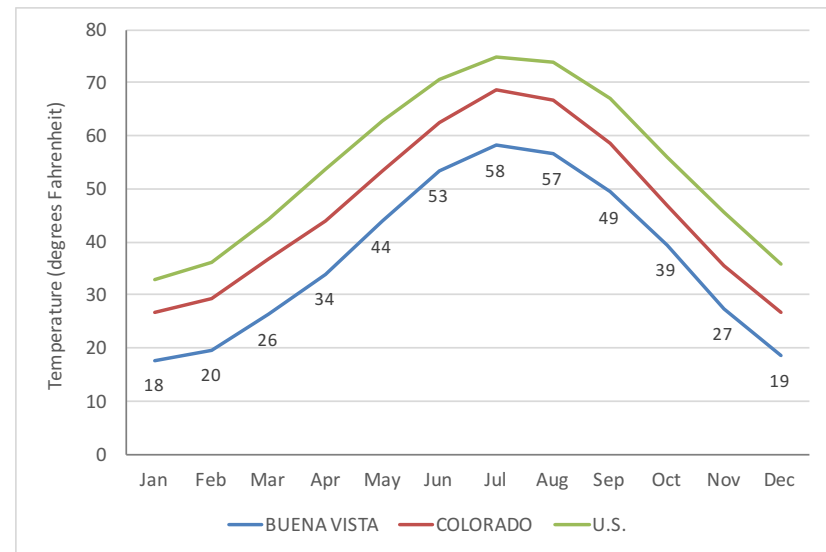
Source: Google

Figure 19: Elevation Comparison of CO Mountain Towns/Cities

Climate

Temperature

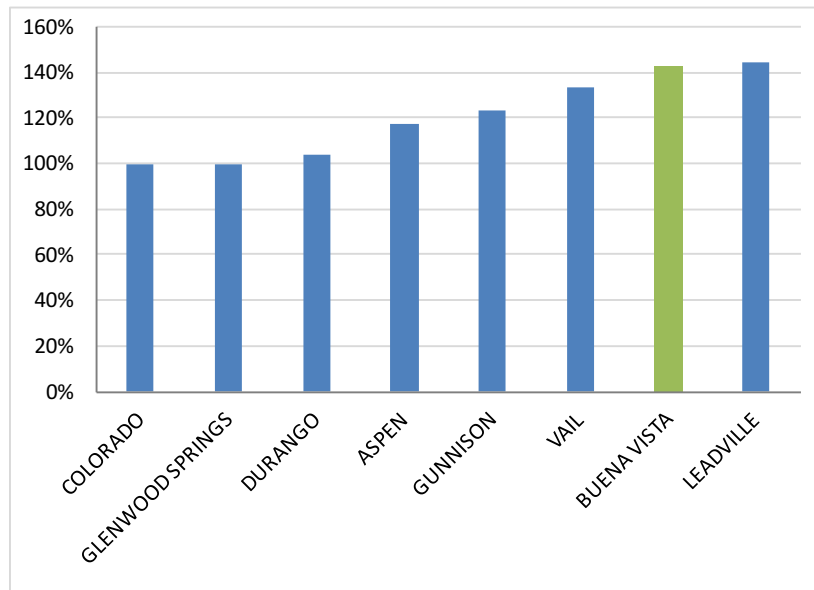
Temperatures in the Town are cooler than the State and national averages. The average temperature in July is 58 degrees Fahrenheit; in January and December the temperature is around 19 degrees Fahrenheit, as shown in Figure 20. The average annual temperature for the Town is 36.9 degrees Fahrenheit, which ranks as the 21st coldest municipality (of 561) in the State. Breckenridge (36.69 degrees) and Leadville (36.87 degrees) have similar average annual temperatures.



Source: USA.com

Figure 20: Average Monthly Temperatures

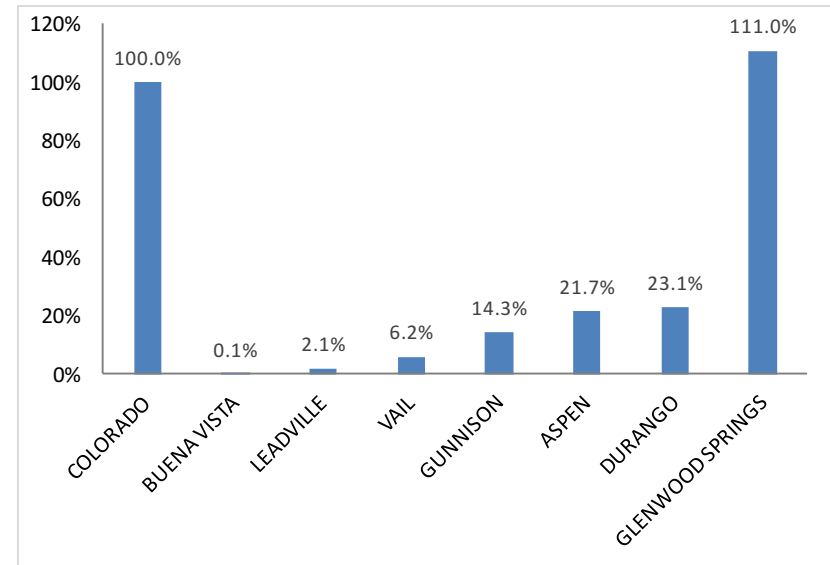
The heating index for the Town, which compares the amount of energy required to heat a building based upon average temperature and duration of cold days, is 142 percent of the State average and is higher than most of the comparable cities/towns, as seen in Figure 21.



Source: USA.com

Figure 21: Heating Index

Conversely, the cooling index (the amount of energy required to cool a building) shown in Figure 22 is 0.1 percent of the State average and is the lowest of comparable counties. This cool environment in the Town creates ideal conditions for winter activities and businesses such as data centers that favor locations with a low cooling index.

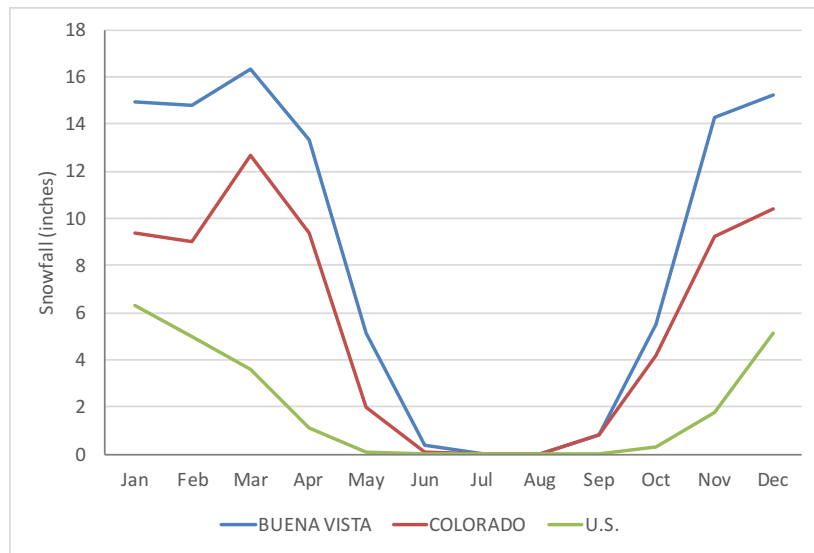


Source: USA.com

Figure 22: Cooling Index

Snowfall

Figure 23 shows the average monthly snowfall (in inches). The Town and surrounding area experience a significant amount of snowfall between the months of November and March. The mountain biking trails and OHV trails become fully accessible by early June.

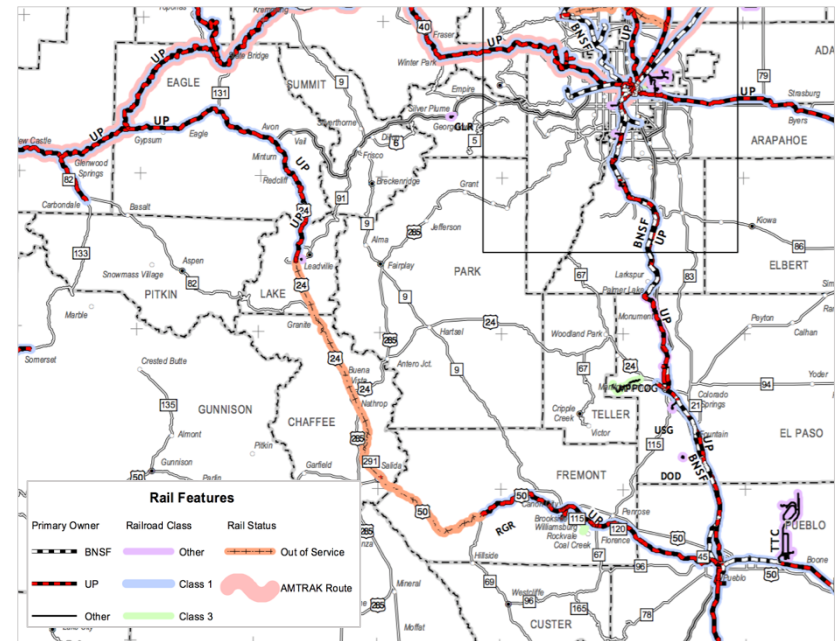


Source: USA.com

Figure 23: Average Monthly Snowfall

Rail Access

According to a railroad map produced by CDOT in 2010, the railroad that passes through the Town is currently out of service. However, both the Royal Gorge Route in Canon City and the Union Pacific Line in Leadville are both still active, as shown by Map 5.



Source: CDOT

Map 5: Railroad Map (2010)

In the early 1900's, the Town was the head of three major railroads: Denver/South Park Pacific Line, The Colorado Midland ("the Midland") and the Denver/Rio Grande Line. The Midland was shut down in 1922. The Denver/South Park Pacific Line (later known as the South Park) "built the highest railroad tunnel in the world at that time. It was the Alpine Tunnel, located above St. Elmo." The Denver/Rio Grande Line was bought by Southern Pacific in the 1980's and then merged with Union Pacific in 1966. Union Pacific abandoned the stretch that runs through Buena Vista after acquiring it in 1966.

Public Education

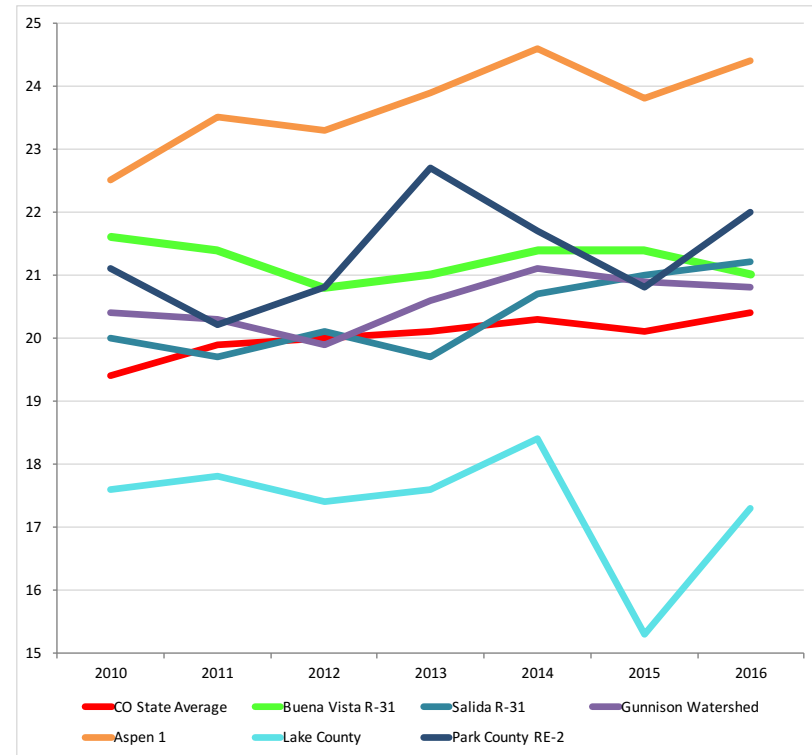
The Buena Vista R-31 school district includes four schools that serve PK-12 students. These schools are Parsons Elementary, McGinnis Middle School, Buena Vista High School, and Chaffee County High School.

The average number of students enrolled in the district between 2007 and 2016 was 990 students. Although enrollments have fallen by 1.4 percent from 2007 to 2016, current enrollment is actually 101 percent of the ten-year average and 2015 had the highest enrollment of the decade. Both Salida and Gunnison school districts have seen an increase of approximately 200 students over the last five years while Lake County has seen a decrease of approximately 200 students over the same time period. Both Aspen and Buena Vista have remained relatively consistent in their PK-12 enrollment over the past decade.

The ACT college readiness assessment is a standardized test for high school achievement and college admissions in the United States. In this test, students are tested on four categories, including English, Math, Reading and Science. The composite score is the average of these individual test scores and is used in addition to the student's GPA to apply for college admission and scholarships.

Figure 24 shows the ACT composite test score averages for Buena Vista R-31, Lake County R-1, Salida R-32, Gunnison Watershed RE1J and Aspen 1 districts and the State as a whole. Students in the Buena Vista R-31 District have consistently performed at a higher level than the State average over the past

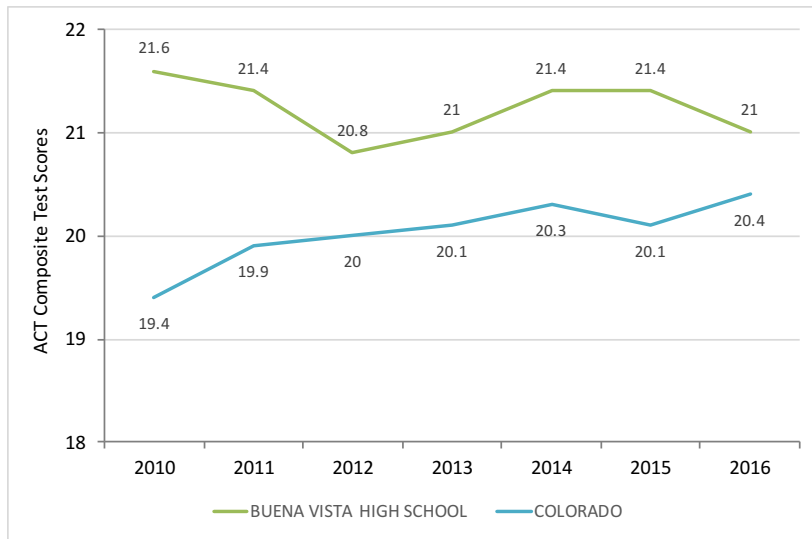
six years and had higher scores than all but the Park County RE-2 and Aspen 1 districts.



Source: CDE

Figure 24: ACT Composite Scores by District and State 2010 – 2016

Figure 25 displays the composite (average) scores for both the District and the State between 2010 and 2016 while the breakdown of the individual ACT test categories for the year 2016 is displayed in Figure 26.

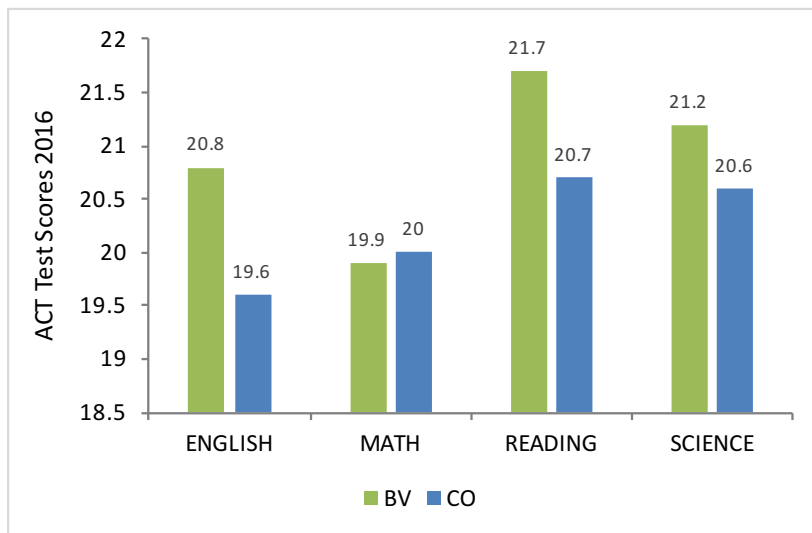


Source: CDE

Figure 25: ACT Composite Scores 2010 – 2016

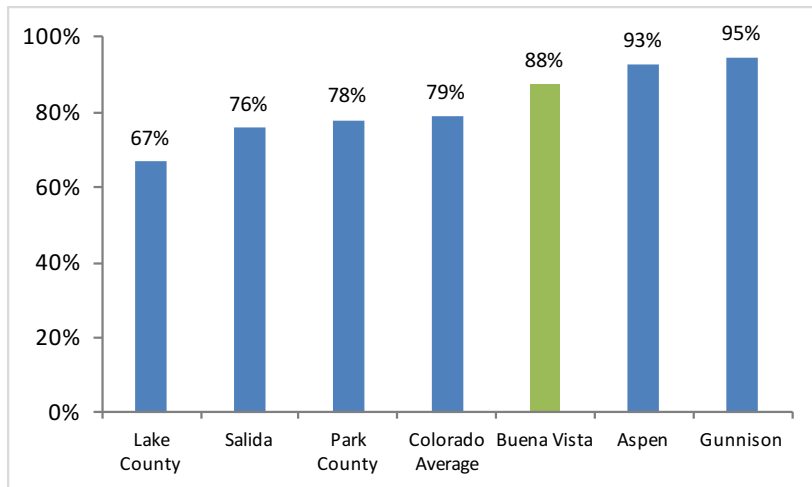
While it had a lower composite score in mathematics in comparison to the State in 2016, the District has been outperforming the State in every other category for the last six years.

The testing data supports the position expressed by many stakeholders that the Buena Vista District provides a high-quality education.



Source: CDE

Figure 26: ACT Composite Test Scores Breakdown 2016



Source: CDE

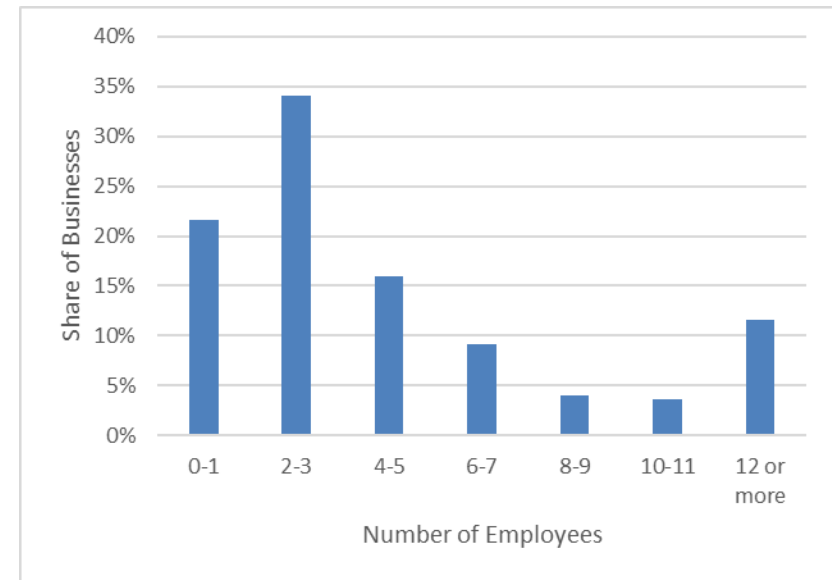
Figure 27: 2016 Graduation Rates by District and State

Buena Vista's relatively high graduation rate of 88 percent is nine percentage points higher than the State average.

Business Size

According to ESRI, almost 35 percent of the businesses sampled in Buena Vista have 2-3 employees; more than 20 percent have 0-1 employees (see Figure 28). Around 10 percent of the sample had 12 or more employees (see Figure 28). There are approximately 250 registered businesses located with the immediate Town area which includes a .75 mile radius around the intersection of Main Street and Highway 24. This area excludes the prison and the airport. The average number of

employees per business for businesses located within this radius is 5.6.



Source: ESRI Business Analyst

Please note that this data represents a sample of 250 businesses and does not capture all businesses within the Town.

Figure 28: Share of Businesses by number of employees

Geothermal

The Mount Princeton Hot Springs area is one of the State's most active geothermal energy areas. Temperatures in excess of 184 degrees Fahrenheit have been measured at Hortense Hot Spring, making it the hottest hot spring in Colorado.²

² http://en.openei.org/wiki/Mt_Princeton_Hot_Springs_Geothermal_Area

There has been some activity and exploration around utilizing the geothermal resources for beneficial use—potentially for energy generation. Fred Henderson has been the vanguard for these discussions.

South Main Street Development

The South Main Development, located along the Arkansas River on the western side of the downtown area, has been a significant addition to the Town over the last decade. Currently, the 41-acre South Main Development includes approximately 70 homes, a 20-room surf Chateau Hotel, the Eddyline Restaurant, and several shops. At full build-out, the development will include approximately 400 residences and as many as 75,000 SF of commercial space. Existing homes in the development are priced in the \$300,000 to \$2 million range.

The South Main development has an urbanistic, unique approach to the facades and overall style incorporated into the various residences and commercial buildings. Having a new housing product type of the quality and progressive nature of South Main is an asset to the community in attracting professionals.



Source: South Main Website

Figure 29: South Main Development

Main Street



4 | Housing

Housing was the challenge most often cited as being an impediment to economic growth. Many have anecdotes about families moving into the Town unable to find housing. This section summarizes the data that defines the current housing situation and then offers some insights into potential solutions.

Table 1 summarizes various characteristics of the Town's housing stock as of 2015.

Housing Characteristics	Buena Vista	Chaffee County	Colorado
Population	2,705	18,309	5,278,906
Housing Stock (Total Units)	1,239	10,260	2,261,063
% Occupied	90%	76%	90%
% Owner Occupied	64%	76%	64%
% Renter Occupied	36%	25%	36%
% Vacant	10%	24%	10%
% for Rent	14%	6%	17%
% for Sale Only	29%	5%	9%
% Other Vacant	58%	89%	75%
Median Household Income	\$ 42,405	\$ 48,528	\$ 59,448
Median Home Value	\$ 202,000	\$ 274,200	\$ 247,800
Median Gross Rent	\$ 787	\$ 802	\$ 1,002
Median Gross Rent as % of Income	32%	30%	31%
Median Year Structure Built	1980	1981	1982

Source: U.S. Census

Table 1: Housing Stock Summary

The Town's housing stock is similar to the State average in terms of occupancy, vacancy, ownership breakdown, and the median year when the structures were built. The Town's median household income (MHI) of \$42,405 is significantly less than the

State MHI of \$59,448. While the median home value (MHV) and median gross rent (MGR) are both significantly less than that of the State, the disparity among the MHI values for the Town and the State is much more significant. Table 2 shows these disparities among primary housing characteristics.

Housing Characteristic	Buena Vista	Colorado	Disparity
Median Household Income	\$ 42,405	\$ 59,448	40%
Median Home Value	\$ 202,000	\$ 247,800	23%
Median Gross Rent	\$ 787	\$ 1,002	27%

Source: U.S. Census

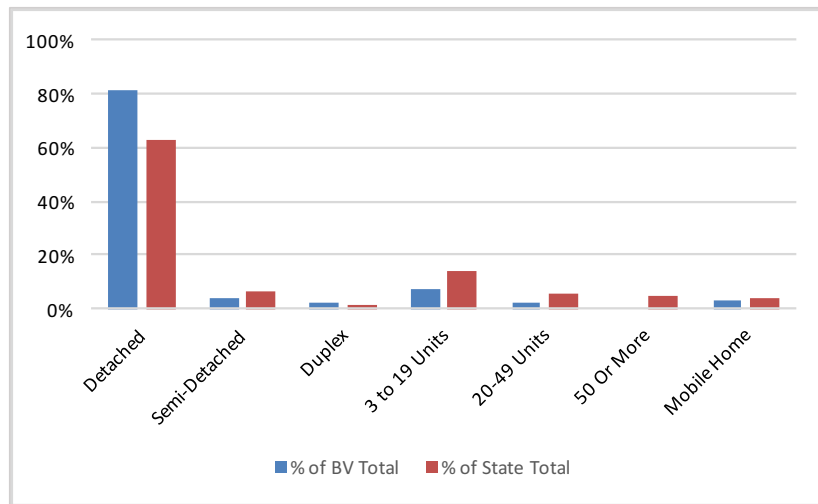
Table 2: Housing Disparities between Town and State

The Town's MHI is 40 percent less than of the State yet the median home price in the Town is within 23 percent of the State median. This discrepancy has a dramatic impact on housing affordability in the Town. If the disparity between the MHV and the MHI were the same percentage, then housing affordability would be relatively the same. However, since the gap between Buena Vista's MHI and the State's is significantly higher than the gap in home values, a much smaller percentage of households in Buena Vista are able to afford a home at the median value than is the case in the State. This means that residents with an annual income similar to the MHI of the Town will struggle to find an affordable home. This significantly impacts the Town's ability to grow and attract new and younger families.

Configuration of Housing Stock

According to Census' ACS 5-year estimates, of the Town's total housing stock of 1,239 units, 82 percent is detached units. A

detached unit is a free-standing residential building that is usually owned, not rented. Across the State, detached homes make up 63percent of total inventory. Multifamily housing makes up 33percent of the State’s total housing stock, but only 16percent of the housing stock in Buena Vista. The new development of attached townhomes at South Main and California Street will increase the ratio of detached housing units.



Source: U.S. Census

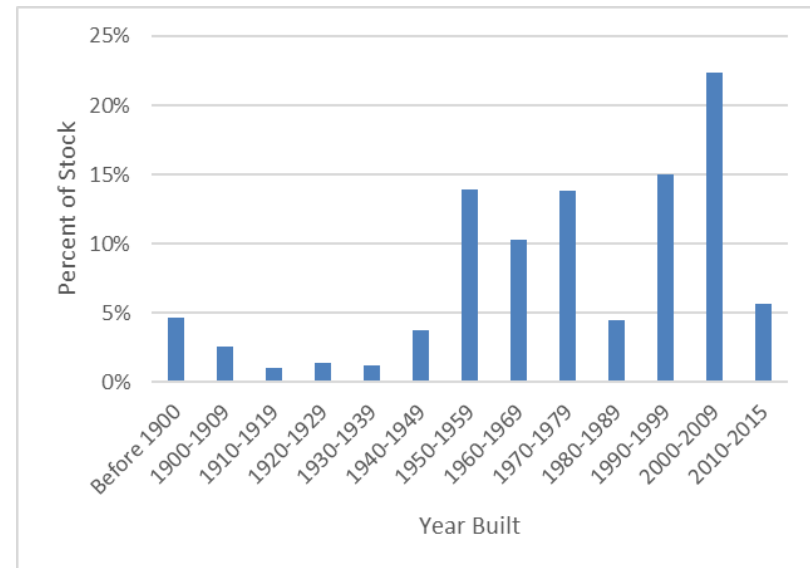
Figure 30: Housing Stock Configuration

28 percent of the State’s total housing units are multi-housing developments (apartment complexes, townhomes, condominiums) that have above 3 units. In Buena Vista, only 15.5 percent of all housing is multi-family. There are no developments in the Town that offer 50 or more units.

Age of Housing Stock

In combination with the U.S. Census, data from the Chaffee County assessor was analyzed to get a better picture of the housing status. According to the data collected from the county assessor, the largest segment of homes in Buena Vista (approximately 22 percent) were built between 2000 and 2009.

While the last bar in Figure 31 only represents half of the current decade, there has been an obvious slowdown in the number of homes built. In the context of positive net migration and the slow growth of building activities, it is likely that there will not be enough housing units to supply the increasing demand for housing.

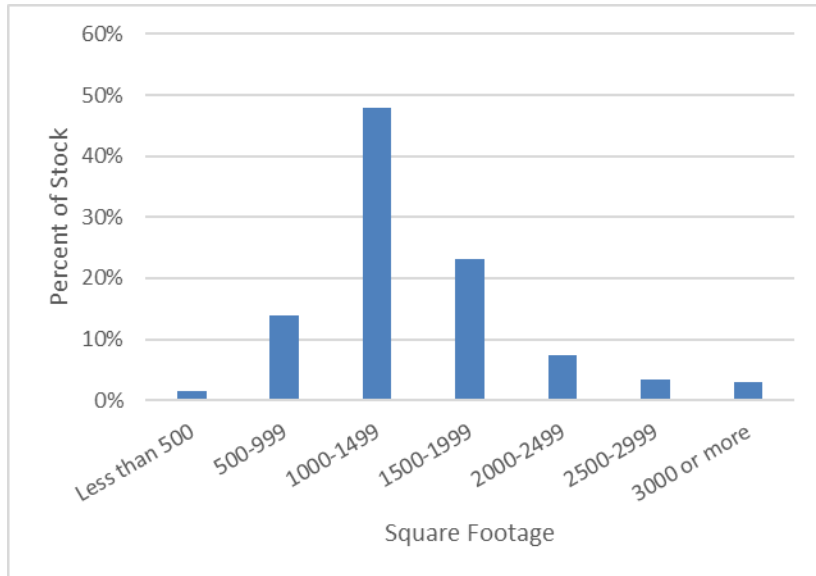


Source: Chaffee County Assessor’s Office

Figure 31: Age of Housing Stock

Size of Housing Units

The largest section of homes in Buena Vista are between 1,000 and 1,499 SF (see Figure 32). The average size of a residence in Buena Vista is 1,472 SF.



Source: Chaffee County Assessor's Office

Figure 32: Size of Housing Units (by Sq. Ft.)

Affordability

A common measure to determine home affordability is the ratio of monthly mortgage to monthly income. A mortgage that is 28 percent or less of monthly income is typically considered affordable. While this metric is very relevant for an individual consumer, it is less reliable as a way to assess the medium-term

affordability of an entire market because of fluctuations in interest rates. Low interest rates create a distortion in the perception of affordability, but if interest rates were to rise, that same home would no longer be affordable.

Consequently, the most accurate way to assess the medium-term affordability of homes in a market is to divide the home price by the consumer's annual income. A ratio of 2.5 or lower is considered affordable.

Using the median wage of \$42,405, the Median Affordable Home (MAH) in Buena Vista would cost \$106,013. Based on the Census housing data, only 7.9 percent of all housing in the Town is below the MAH. By comparison, in the State as a whole, 20 percent of homes are under the MAH.

Housing Affordability Matrix	Buena Vista	Colorado
Median Housing Value	\$ 202,000	\$ 247,800
Median Income	\$ 42,405	\$ 59,448
Median Affordable Housing (MAH)	\$ 106,013	\$ 148,620
% of Housing Stock Below MAH	7.9%	20.0%
Houses w/o Mortgage	30.2%	26.7%
Median Affordable Rent (MAR)	\$ 989	\$ 1,387
% of Rents Below MAR	75.9%	75.9%
Total Affordable Housing Stock	28.8%	34.9%

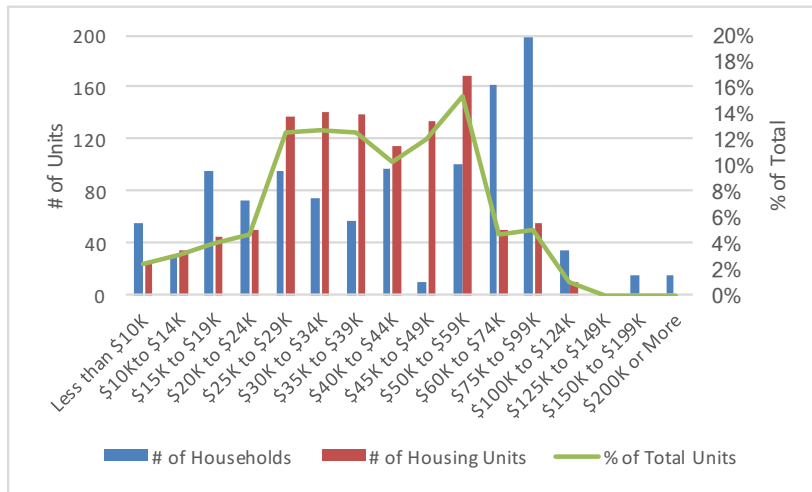
Source: U.S. Census

Table 3: Housing Affordability Matrix

The other important factor when evaluating affordability is rental rates. Using the aforementioned metric, monthly rental

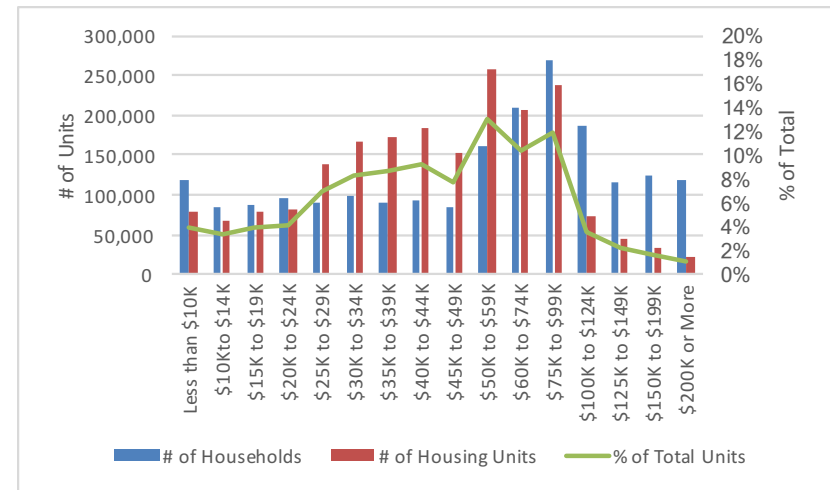
payments that are 28 percent or less than monthly income would be considered affordable. Given the median income of \$42,405, the median monthly income is \$3,533 and 28 percent of that income is \$989. The median rental rate in the Town is \$787. Fully 75.9 percent of rents are below the Median Affordable Rent (MAR) of \$989 and would be considered affordable.

The analysis presented in Figure 20 compares the number of households in each income bracket to the number of housing units (both for rent and owned) that are within the range of affordability for those incomes. The same analysis for the State is presented in Figure 34.



Source: US Census Bureau

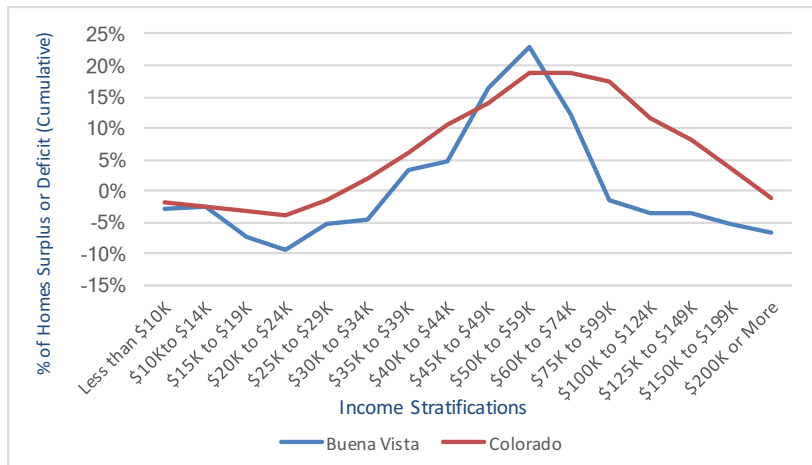
Figure 33: Buena Vista Housing Affordability Analysis



Source: US Census Bureau

Figure 34: Colorado Housing Affordability Analysis

It is expected that there would be over-consumption of housing relative to incomes in the higher income brackets because of the wealth effect. As households accrue equity in their homes, they are likely to transfer that equity into a more expensive home—while maintaining an affordable payment. The wealth effect is shown in Figure 35. At both the State level and in Buena Vista, there is a shortage of homes relative to households with corresponding incomes until incomes of \$30K per year are reached at the State and \$40K in BV. In both the State and Town, the surplus of homes over the number of households with corresponding annual incomes peaks at \$60K. Thereafter, however, the State’s surplus remains for the next four income levels while BV’s surplus disappears within two income levels.



Source: US Census

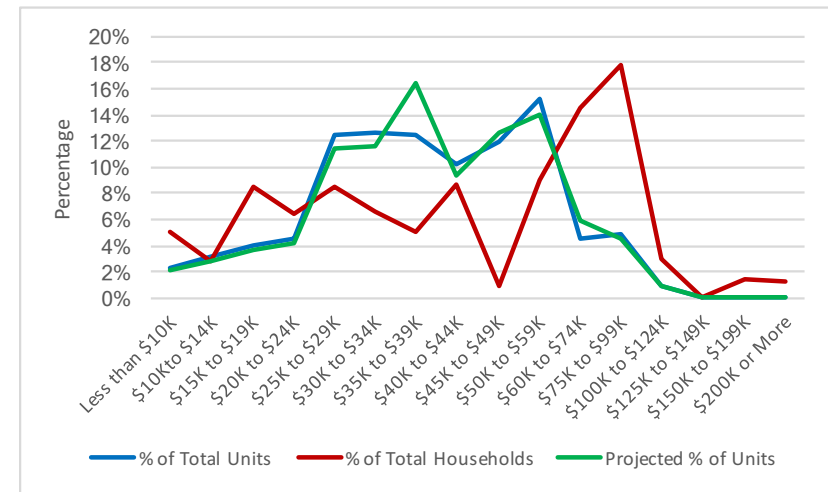
Figure 35: Cumulative Housing Availability by Income

This analysis indicated that there is an undersupply of housing at both extremes of the income distribution. There are significant gaps between the number of households and the housing available for households under \$25K in annual income in the Town. In aggregate, the shortfall is 99 units. In most situations, housing for these income brackets is supplied by affordable multi-family apartments, but there is an acute undersupply of multi-family housing in Buena Vista. The state has a similar imbalance but not nearly to the extent it exists in the Town, reinforcing the severity of the situation.

There is also a shortage of housing for higher-income households. While higher-income households tend to spend a lower percentage of their income on housing and thus under-consume compared to lower-income households, the effect is more pronounced in Buena Vista. For the 426 households with

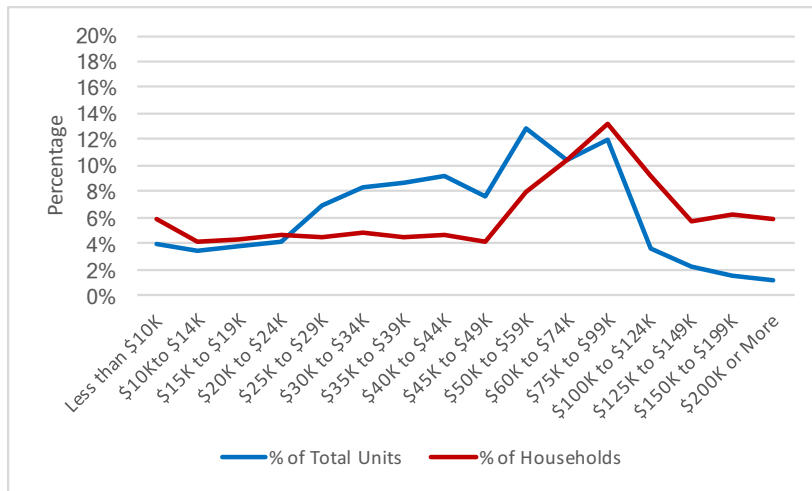
annual income above \$60K, there are only 117 houses of corresponding value.

The oversupply of housing for the middle-income households at the expense of affordable housing options for the extremes of the income distribution is graphically represented in Figure 36 and Figure 37. Note that the percentage of affordable housing units in each income bracket follows much more closely the percentage of corresponding households in the State than in Buena Vista.



Source: US Census Bureau

Figure 36: Buena Vista Ratios of Housing Units to Households by Income



Source: US Census Bureau

Figure 37: Colorado Ratios of Housing Units to Households by Income

Much attention has been paid to the critical shortage of affordable housing in the Town, but the analysis indicates that the shortage is present at both extremes of the income distribution. Having more high-income housing would free up middle-income housing and / or allow for greater in-migration. An increased supply of housing for middle incomes would put downward pressure on pricing and make those homes more affordable for lower income households. Additionally, more multi-family housing is needed in the Town.

Current Housing Availability in Buena Vista

According to data available on Zillow, there are 35 properties that are currently for sale within the Town's boundaries. These

include 14 homes, 12 apartments, 2 condos and 8 undeveloped lots. The median price for the available houses is \$371,950 with a median price of \$221 per SF. The median price for an average lot in a residential neighborhood featuring between 7,000 and 9,500 SF is \$42,400 with a median price of \$5 per SF. According to Zillow, only one property is currently available for rent in the Town boundaries. Although this is a small sample and may not accurately reflect the median home price for all homes in the Town, it does hint at the difficulty that new residents may face as they consider moving to the Town and buying a new home.

Supply of Housing

In the United States, there is a 1.15:1 ratio of housing units to households. The surplus represents homes, apartments or condos that are for sale or rent, uninhabitable, held in estate, second homes or vacation rentals. In the US, 3.1percent of homes are vacation rentals³. In Colorado, the ratio of housing units to households is 1.13:1 but in Buena Vista it is 1.105:1. There are 51 homes that are listed on VRBO.com and AirBnB.com as vacation rentals in the Town. In order for Buena Vista to have the same spare ratio as the United States (excluding vacation rentals) an additional 68 housing units would need to be added to the inventory.

The Farm is a new 90-unit housing development that broke ground on March 23rd. The development will have housing units that are in the affordable range (under \$200K) and mid-range (\$250K to \$350K). South Main is planning to build several units

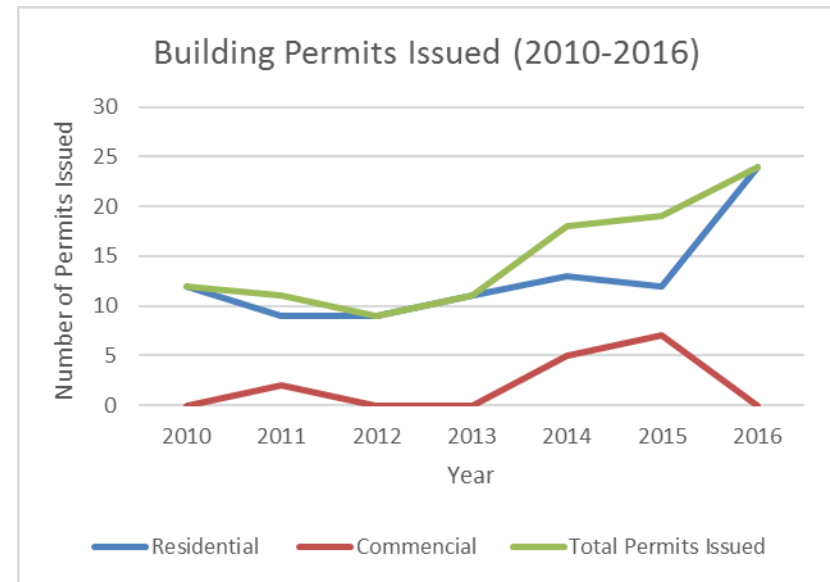
³ <https://www.census.gov/hhes/www/housing/census/historic/vacation.html>

per year and there are other homes planned by other homebuilders. The affordable housing project being contemplated by the Town would further add to the available supply.

If there is no pent-up demand of households from outside of the Town that want to relocate into the Town, the developments that are currently planned are sufficient to satisfy existing demand within three years and bring the spare ratio up to the national average. If there is significant pent-up, latent demand for net in-migration, then more housing may be necessary. The graphical representation of the impact of the new housing units is shown by the green line in Figure 36.

Building Permits

A good way to gauge building activity is to see the number of building permits issued over time. Buena Vista has seen some variance in the number of building permits issued each year, but there seems to be an increase in building activity from 2010 to 2016. Residential building activity has been increasing every year since 2012. Commercial building activity, although, has not been as consistent and tends to fluctuate between periods of activity and inactivity (see Figure 38).



Source: Chaffee County Planning Department,

Figure 38: Building Permits Issued in Buena Vista (2010-2016)

5 | Local Economic Model

Better City has developed a local economic model that identifies the key flows of labor, capital, and goods and services within a county based on data from Colorado's Department of Local Affairs and the Bureau of Economic Analysis. (The data for the model is only available at a county level.) The flows, and quantities (for those factors for which data is available) are shown in Figure 39. Local residents (D) provide labor (F) to local industries (H, I) and receive wages (E) in return. In addition to those who live and work in Chaffee County, some labor commutes into (K) or out of (B) the County in exchange for wages that flow out of (L) or into (C) the County respectively. Local industry can be separated into two groups: Direct Basic industries (H) that export goods and services outside of the County, and Non-Basic Industries (I) that primarily provide goods and services to local residents. Basic industry exports are the key source of outside revenue (J) for the local economy. Such revenue is necessary for the local economy to be able to import goods and services that are not produced inside the County. Finally, transfers of capital (A) into the economy include government transfers such as Social Security and investment income. Transfers out of the economy include savings, contributions for government, (?) social insurance, and taxes.

There are several key findings that stand out from this analysis. The first is the ratio of basic jobs. Economies that are export oriented are typically healthier and create more jobs over the long run than economies whose main source of jobs is creating services for their own residents.

In Chaffee County, 72% of all jobs are basic – producing products or services that are consumed outside of the County. This is a very healthy ratio.

Another significant observation is the number of workers who commute into the County for work relative to those who leave. There are 398 workers who come from neighboring counties into Chaffee County to work while only 144 commute from Chaffee to other counties. This again reinforces the strength of the County's economy because it needs to import workers to fill its labor requirements.

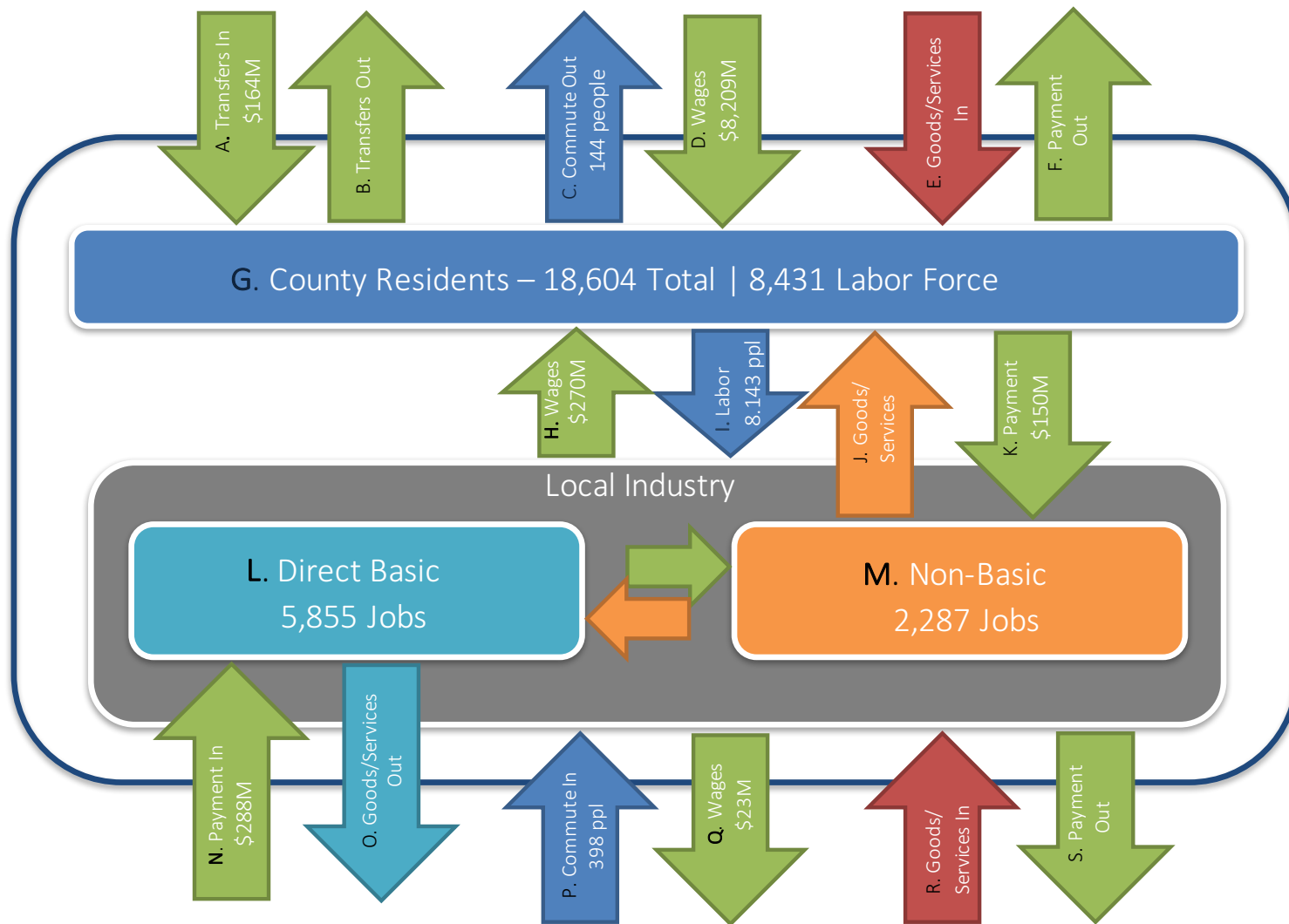


Figure 39: Local Economic Model

Mt. Princeton

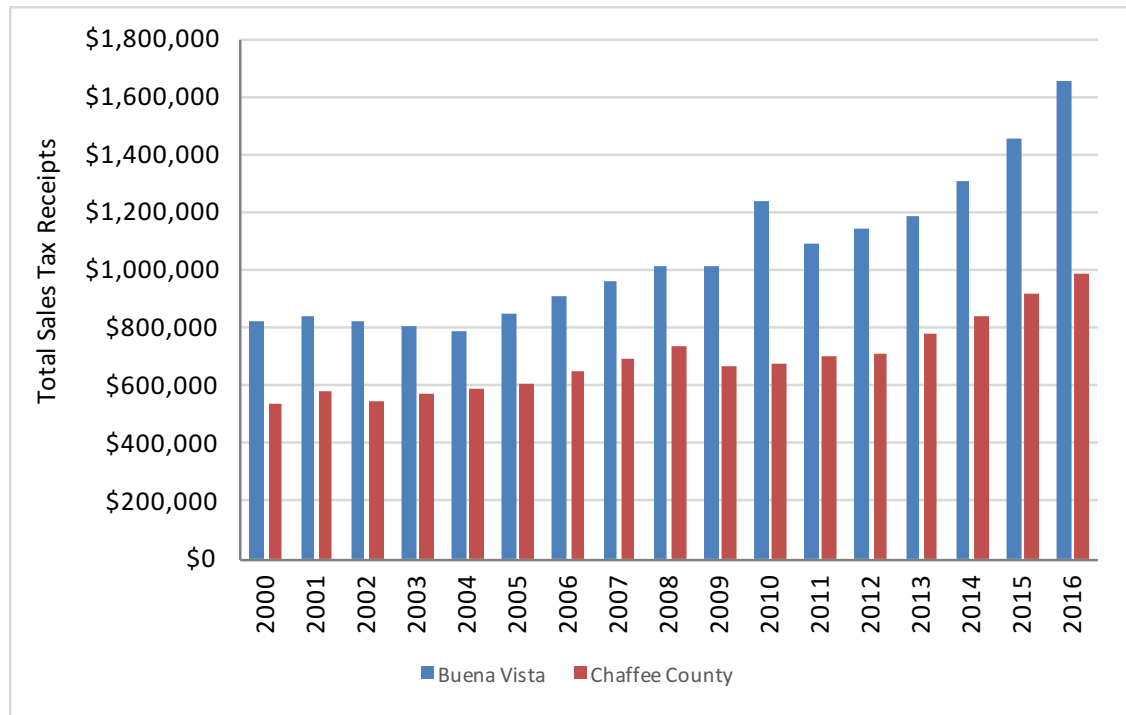


6 | Sales Tax History

Nominal Sales Tax

Given the touristic and recreational nature of the Town, a brief analysis of sales tax history was performed to evaluate if the Town is over or under performing in regard to its ability to capture this type of economic activity.

Figure 40 displays the sales tax history for both the Town and the County. Sales tax for the Town experienced a slight decline between 2001 and 2004. Activity picked up in 2005 and growth tapered off at the start of the Financial Crisis of 2008. Sales tax spiked in 2010 due to an increase in the sales tax from 2.0 percent to 2.5 percent. Towns like Buena Vista that rely on tourism and outdoor recreation usually suffer when the Nation's economy experiences major downturns. When money is tight, consumers think less about rafting down the Arkansas River and more about saving. However, sales tax in Buena Vista held steady throughout the Great Recession.



Source: Town of Buena Vista

Figure 40: Sales Tax History 2000-2015

Sales tax for both the Town and the County have been increasing since 2011 with record-breaking years in 2014, 2015, and 2016 in terms of nominal sales tax revenue. However, when adjusted for inflation, using 2000 as the base year, real sales tax (inflation adjusted sales tax) has finally returned to a level proportionate to the amount of sales tax generated in 2000.

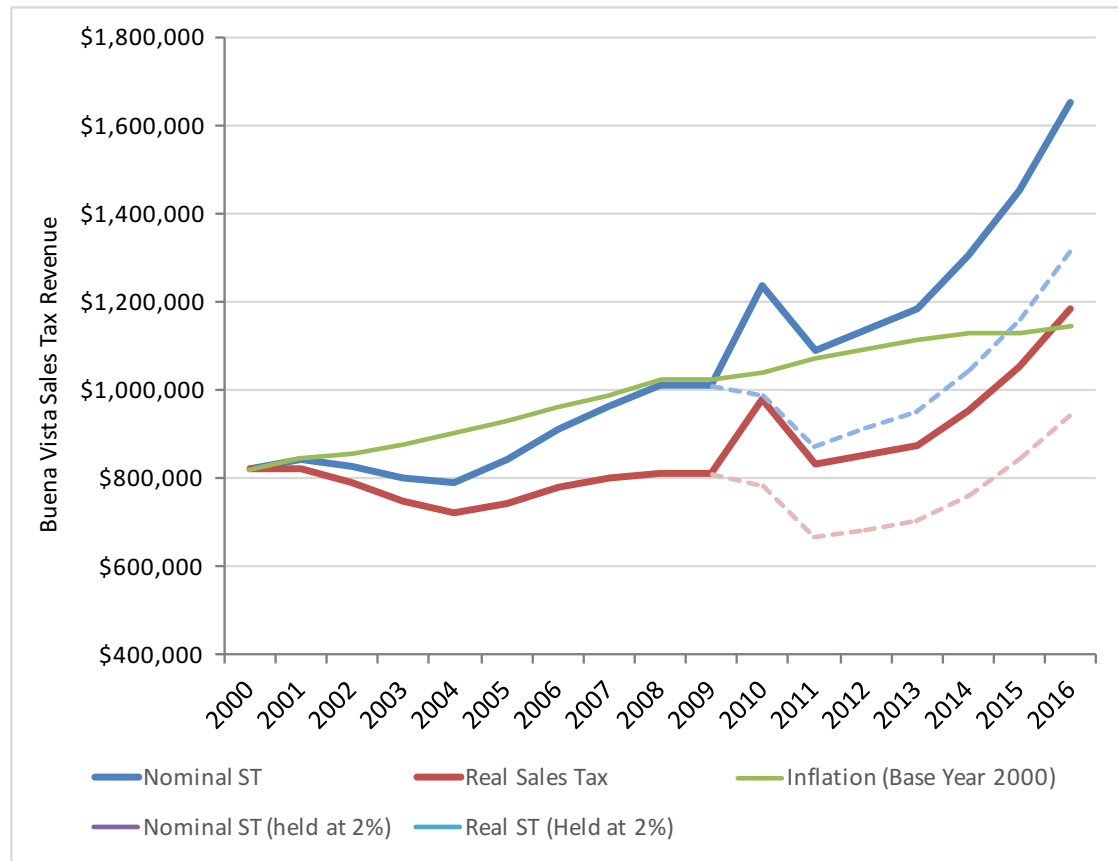
Real Sales Tax

Figure 41 displays the difference between nominal sales tax, real sales tax and the inflation line (relative to the year 2000). The U.S. consumer price index was used to adjust for inflation. The inflation line uses 2000 as the base year and represents the inflation-adjusted sales tax equivalent for each successive year. For example, the sales tax received in 2000 totaled \$821,999, is equal to \$1,145,678 in the year 2016. This increase is reflected in the positive slope of the green inflation line.

Real sales tax (inflation adjusted) in 2016 totaled \$1,185,711. From 2000 to 2013, the increases in sales tax receipts failed to keep pace with inflation and remained below the 2000 level – with the exception of in 2010. The significant increase in real sales tax receipts from 2013 through 2016, however, have closed the gap and as of 2016 the increase in total real sales tax receipts this millennium has outpaced the rate of inflation.

The increases in real sales tax receipts in the past three years indicates that the

Town's retail economy is growing. The dotted lines represent what the nominal and real sales tax amounts would have looked like if the sales tax rate had remained constant at 2%. The last change in the sales tax rate for the Town occurred in 2010 when the rate increased from 2.0 to 2.5 percent.



Source: Town of Buena Vista, BLS

Figure 41: Nominal and Real Sales Tax Comparison

In nominal terms, the increase in the Town's sales tax rates has created approximately \$1.8 million in additional sales tax revenue since 2010. Had the Town not increased the sales tax rate, real, inflation-adjusted sales tax revenue would not have exceeded the 2000 base until 2016. The need for an increased sales tax rate is an additional indicator that the Town has struggled to keep up with inflation, and that retailers' revenue growth has barely kept pace with inflation.

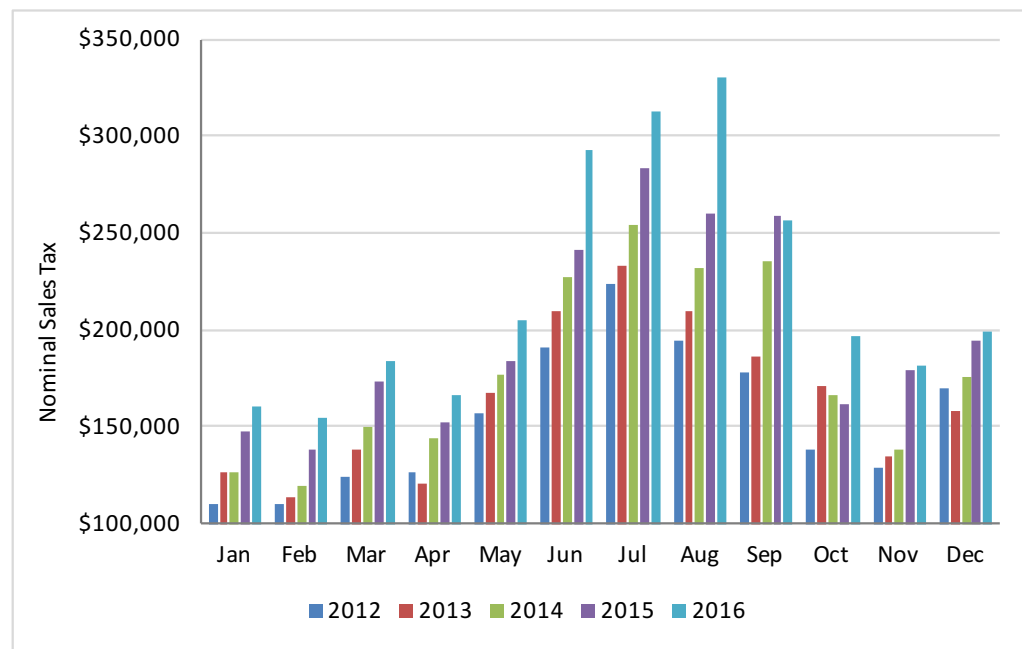
Seasonality

One of the primary concerns raised during the stakeholder interviews was the seasonality of the local recreation market. Multiple community stakeholders expressed their desire to create year-round tourism.

Figure 42 displays the nominal sales tax broken down by both months and years. This chart confirms the fact that the Town experiences dramatic seasonality between the winter and summer months. Obviously, the summer months of June, July, and August have

consistently experienced the most economic activity.

Another observation is the recently-discussed surge in sales tax receipts during 2016. Not only did total nominal sales tax revenue reach a record breaking high in 2016 but the monthly sales tax during that same year hit record-breaking highs. The most dramatic jump in monthly sales tax revenue from year to year occurred in August of 2016. Sales tax for the month of August shot up by nearly 27 percent between 2015 and 2016.



Source: Town of Buena Vista

Figure 42: Nominal Sales Tax Seasonality 2000-2016

Collegiate Peaks



7 | Industry Cluster Analysis

Location Quotient

Methodology

Employment Location Quotient (LQ) is a method of quantifying the concentration of an industry cluster in an area compared to the State average. Industry data is only available at a County level, so all of the industry analysis (Location Quotient, Shift-Share and Industry Cluster Analysis) are reflective of Chaffee County data.

LQ's are calculated as shown below.

Location Quotient (LQ) =

$$\frac{\text{Local Proportion}}{\text{State Proportion}}$$

Local Proportion =

$$\frac{\text{Wages paid in Industry X in County}}{\text{Wages paid in County}}$$

State Proportion =

$$\frac{\text{Wages paid in Industry X in State}}{\text{Wages Paid in State}}$$

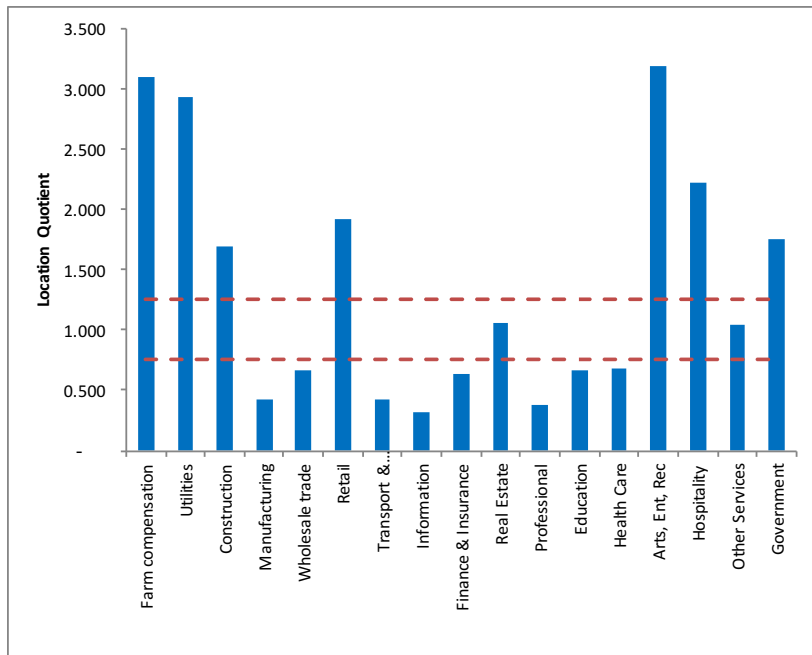
For example, in 2015 workers in Chaffee County received total

wages of \$330M and workers in the Arts, Entertainment and Recreation industry sector received wages of \$13.9M, resulting in a local proportion of 4.2 percent.

For the same period, all Colorado workers received \$174.9B in wages, of which \$2.3B was paid to workers in the Arts, Entertainment and Recreation clusters for a state proportion of 1.3 percent. The LQ is derived by dividing the 4.2 percent local proportion by the 1.3 percent state proportion, resulting in a Location Quotient of 3.18. This indicates that the concentration of Arts, Entertainment and Recreations jobs in the County is approximately 318 percent greater than the state as a whole.

An LQ of 1.0 would mean that the local concentration of an industry is identical to the statewide concentration. Industries with high LQ's (above 1.25) are typically export-oriented industries that are beneficial to a local economy because they bring outside money into the region. High LQ industries may also indicate a higher-than-average demand in an area. Industries that have both high LQ's and high job numbers typically form a region's economic base. Such industries not only provide jobs directly, but also have a multiplier effect, creating jobs in other dependent industries like retail trade and food services. Industries that are unable to support local demand typically have an LQ below 0.75.

The location quotients for industries in Chaffee County is displayed in Figure 43.



Source: Bureau of Economic Analysis

Figure 43: Location Quotient for Chaffee County

Analysis

Chaffee County is remarkable because it has such large variances from the state averages. Of the 17 industry clusters, only two are within 25 percent of the state's ratio. Chaffee County clearly has a unique economy.

The disproportionate share of incomes in the Arts, Entertainment & Recreation, Retail and Hospitality sectors

reinforces the reliance of the local economy on tourism. The magnitude of the location quotient in these three sectors—with an average LQ is 2.44—is remarkable given that tourism is one of the most important industries in Colorado, accounting for 11 percent of the state's jobs.⁴ In summary, Chaffee County derives more than double the proportion of wages from tourism-related clusters than the state, which is heavily dependent on tourism jobs.

Farm compensation has an LQ above 3, meaning that three times as many wages are earned from agriculture in the County compared to the state average. Most of the farming in the County happens further down the valley and has a less direct impact on Buena Vista.

The strength of the government sector (LQ of 1.7) is not surprising with the presence of the prison. Of note is the weakness of the information, manufacturing, and professional sectors. These sectors typically have higher wages and are primary employers of college degree holders. These three sectors have an average LQ of just .37 and the dearth of wages paid reinforces the concern voiced by many that there are few suitable employment opportunities for the Town's young adults once they graduate from college.

Over time, Chaffee County's economy needs to mature and become more diverse. A healthier economy would have wages spread across industry sectors that more closely mirror the state averages. Growth in the key "white collar" / professional

⁴ <http://www.cobizmag.com/Articles/The-economist-Whats-the-most-important-industry-in-Colorado/>

industry clusters will be especially important for giving youth professional employment opportunities and enabling the Town's young people to return after receiving their education.

Shift Share Analysis

Methodology

Shift share analysis is a method of dissecting job growth into its component parts to better detect the factors contributing to growth. The following three components are identified through this analysis:

State Share

State Share is the portion of wage growth that can be attributed to overall economic growth that has occurred from 2010-2015 in Chaffee County. It is calculated by multiplying the wages paid in the local area at the beginning of the time period by the statewide growth rate. The calculation produces the level of wages that are expected to be gained (or lost) if Chaffee County experienced the same overall growth rate as the State.

Industry Share

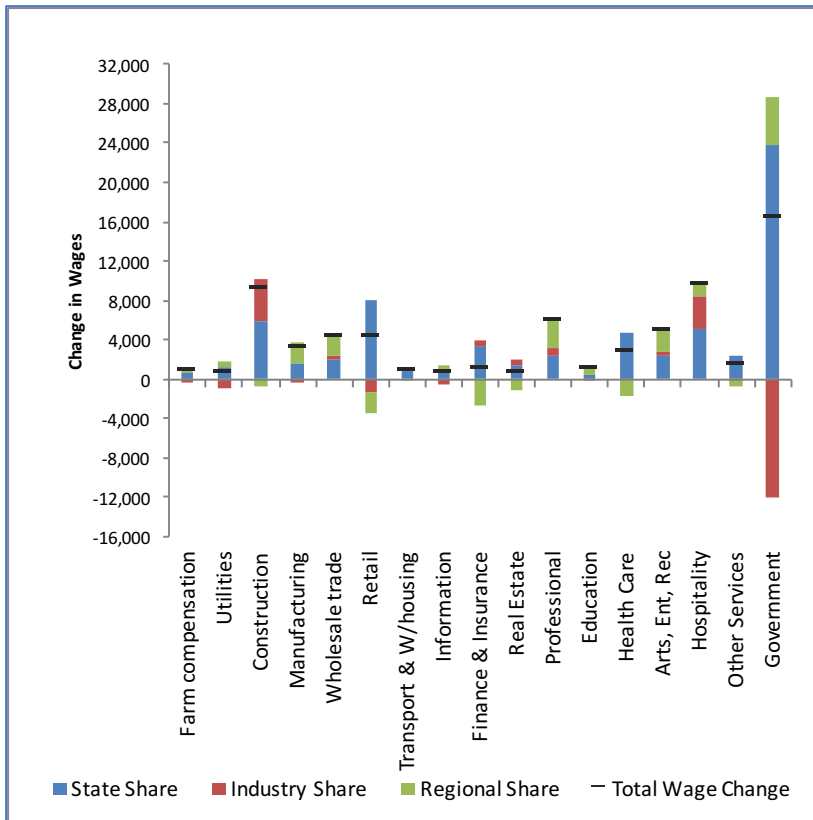
Industry Share represents the portion of an industry's wage growth in an area due to that industry's statewide expansion or contraction. It is calculated by multiplying the wages in the local area at the beginning of the time period by the statewide growth rate for the specific industry, and subtracting state share.

Local (Regional) Share

Local Share is the most important component of wage growth for economic development. It highlights the change in employment that is due to a county's competitive advantages in a particular industry. It is calculated by subtracting industry share and state share from the total change in wages in each local industry.

Analysis

Figure 44 depicts the shift share for the County from 2010 to 2015.



Source: Bureau of Economic Analysis (BEA)

Figure 44: Shift Share Analysis

There are several salient points. The disproportionate share of the Government wages is clearly evident and while the industry as a whole is declining, it has grown in Chaffee County. Typically, it is unhealthy to be over-reliant on Government employment because the industry is not export oriented.

The four industry sectors with the highest regional growth (excluding the government cluster) are Manufacturing, Wholesale, Professional, and Arts, Entertainment, and Recreation. Particularly encouraging is the growth in Manufacturing and Professional wages. As noted in the location quotient analysis, these are two highly desirable industry clusters and are both under-represented in Chaffee County. Their strong regional growth rates indicate that there is growth in these industries and that the economy is diversifying and adding jobs. Clearly there are local factors that favor these two sectors and future efforts should be targeted to strengthen these industries.

Industry Cluster Matrix Analysis

Methodology

Shift share and location quotient measures can be combined into a matrix analysis to provide a more comprehensive view of the local economy. The analysis plots industries in a two-by-two matrix with the natural logarithm of location quotient on the x-axis and job growth as represented by regional shift on the y-axis. The size of each industry bubble in the matrix represents the total amount of wages paid in the industry within the County. Analysis can be performed using other measures for job growth and industry concentration; however, regional shift and the natural logarithm of the location quotient provide advantages over other variables as shown in.

Other Variables	Better City Variant
Y-Axis: Industry Job Growth Rate	Y-Axis: Regional Shift as calculated using Shift Share Analysis. Advantage: This method shows the growth that is due to inherent strengths in the region, excluding growth due to statewide and industry trends.
X-Axis: Location Quotient	X-Axis: Natural Logarithm of Location Quotient Advantage: Large outliers can cause apparent clustering of other industries. This variable depicts the differences between LQs, but on a comparable scale. With this measure, an industry with a concentration equal to the state average would have a value of 0 rather than 1.

Table 4: Derivation of Industry Cluster

In this analysis, industries will fall into one of four quadrants, as shown in Figure 45.

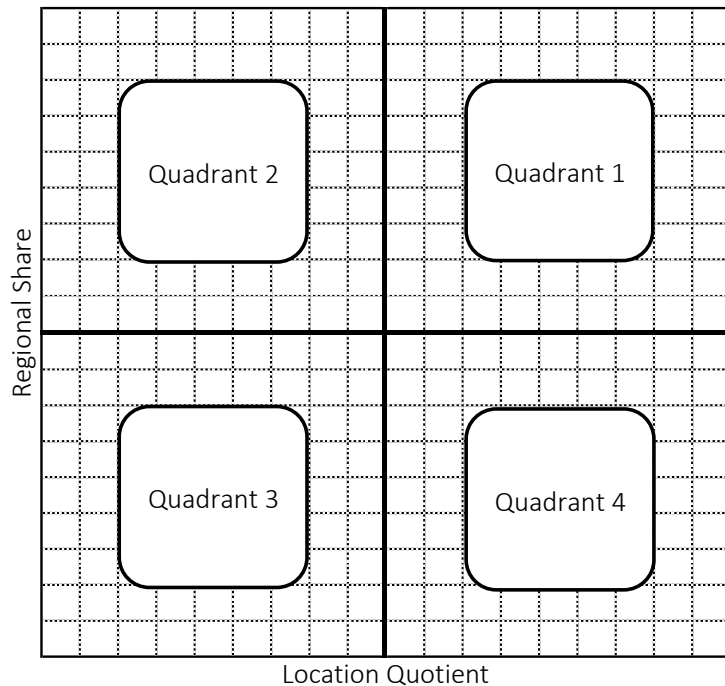


Figure 45: Cluster Analysis Quadrants

Quadrant One: Industries in this quadrant are concentrated in the region and are growing due to regional advantages. Large industries in this quadrant distinguish the regional economy as they increase workforce demand. Small industries in this quadrant are possibly emerging exporters that should be developed.

Quadrant Two: Industries in this quadrant are growing over time, but are still less concentrated than the state average.

Depending on the industry, they may settle at the state average or continue to grow and move into Quadrant One.

Quadrant Three: Industries in this region are less concentrated than state averages and are losing ground. Such industries may face significant competitive disadvantages in the area.

Quadrant Four: Industries in this quadrant are declining, but are still more concentrated than the state average. If a large industry is in this quadrant, the region is often losing its export base. The County should plan and invest accordingly.

Analysis

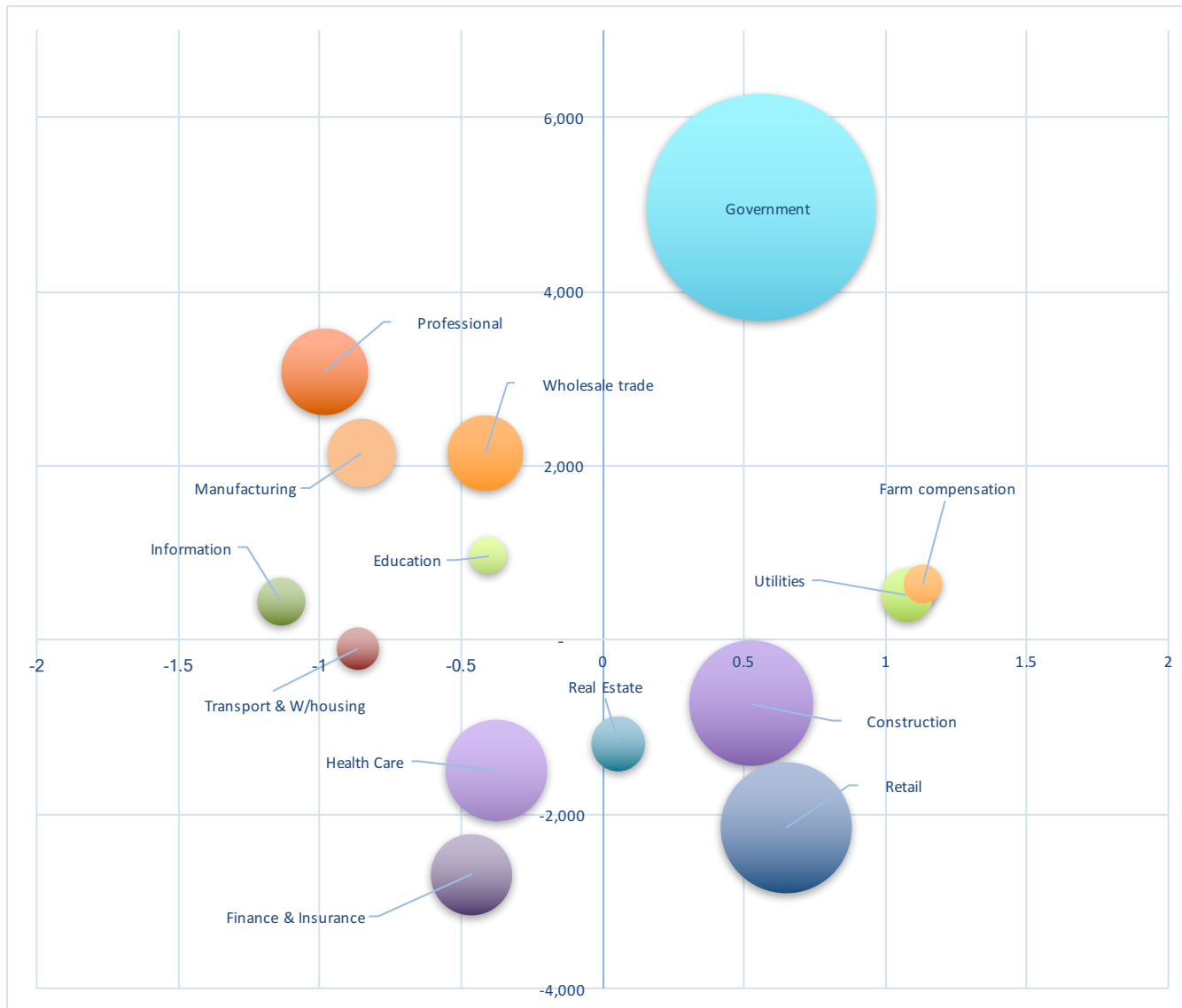
Chaffee County's Cluster Analysis, depicted in Figure 46, again highlights the disproportionate influence of the government sector. Unfortunately, not only is the Government sector by far the largest sources of wages but it also has had the most growth and has a strong location quotient. While a strong and growing Government industry cluster is not a problem *per se*, it can become problematic if other export-oriented industries have difficulty finding employees because of the growth in Government employment. With a low unemployment rate in the County, such a crowding-out effect is possible. During the stakeholder interview, it was noted by many business owners that finding and retaining qualified workers is a serious concern. The survey question asking community stakeholders to rank the quality of the workforce on a scale of 1 to 10 (high to low) resulted in a weighted average response of 5.37—by far the lowest ratings of any factors they were asked to rank. If the Government sector continues to grow in the absence of

significant population growth, it would take from the available labor pool for other, more important export industries.

The only other industries in quadrant 1 were Utilities and Agriculture. These two industries do not capture significant mindshare and were not highlighted during the stakeholder interviews. While their location quotients are quite high, both industries have relatively smaller levels of wages and have experienced only moderate growth.

The industries that seem to hold the greatest promise are those in quadrant 2: Professional, Wholesale, Manufacturing, Education, and Information. Each of these industries typically have higher than average wages and employ many professional and “white collar” workers. All of these industry sectors have experienced moderate to significant growth over the past five years and though their location quotient is below the state average, they are moving in the right direction.

The growth in these industries is encouraging because it demonstrates the potential for Buena Vista to diversify its economy and expand industry clusters that have professional positions. Supporting existing business in these focus industry clusters, creating a business climate that attracts new enterprises, will be a key driver of future economic success.



Source: Bureau of Economic Analysis (BEA)

Figure 46: Industry Cluster Analysis 2010 - 2015

8 | Stakeholder Interviews

A number of interviews with key community stakeholders were conducted to develop a qualitative understanding of the local economy. Key economic strengths, challenges, and opportunities were identified from these conversations through a series of survey questions that were posed to each interviewee.

Ranking of Community Characteristics

Twenty-seven (27) Interviewees were asked to rate various key aspects of the community. Given the broad array of backgrounds and responsibilities that each of the interviewees hold in the community, the following survey summary is helpful in providing a glimpse into the community's views of these key aspects of the Town. Interviewees were asked to rate the following community on a scale between 1 and 10 (1=low, 10=high):

- Ease of doing business in the Town
- Quality of the schools
- Character of the community
- Quality of life
- Quality of the workforce

The responses are summarized in Table 5. The table displays the number of responses for each ranking and their associated question. The table also displays the weighted average based on the responses of all 27 interviewees.

Survey Question	RANKING										Weighted Average
	1	2	3	4	5	6	7	8	9	10	
Ease of doing business in the Town	0	1	1	2	2	4	5	8	3	1	6.8
Quality of the schools*	0	0	0	1	5	6	3	5	4	0	6.8
Character of the community	0	0	0	0	0	2	4	7	12	2	8.3
Quality of life	0	0	0	0	0	0	1	4	8	14	9.3
Quality of workforce	1	2	2	3	5	4	7	3	0	0	5.4

Source: Buena Vista Stakeholder Interview Survey

Table 5: Stakeholder Interview Survey Response Summary

There are several very interesting findings from the survey. The most salient is that people love living in the town. A weighted average rating of 9.3 on the quality of life is remarkable and reflects the unmitigated enthusiasm of Buena Vista's residents toward their community. Stakeholders also think the community has great character (8.3).

The rating for "Ease of doing business in the town" at 6.8 is quite positive. If a community is going to have a consistent look and feel, it must have high building standards. There will always exist a natural tension between the business community and the public entities that are tasked with creating and enforcing standards. The fact that 8 was the highest frequency rating means that the Town is probably striking a good balance between community and business interests.

The responses on the quality of the schools are compromised by the fact that many in the community view the quality of

education that is provided as being quite high but the quality of the physical buildings to be low. The rating of 6.8, therefore, should not be construed to reflect broad discontent with the quality of education as much as a recognition that improvements need to be made, particularly with the quality of the facilities.

Finally, the quality of the workforce was a universal concern. Businesses have great difficulty in finding and retaining quality employees. Many respondents were eager to point out that they are satisfied with the employees they have but have severe challenges in filling positions. The scarcity of available workers represents a significant impediment to future economic growth.

Word Cloud

In addition to the survey questions, interviewees were asked about what they perceived as the strengths, weaknesses, and opportunities of the community. The following figure is a word cloud that summarizes the topics that arose throughout these discussions. The size of each word in the word cloud indicates its frequency, or importance. For example, the challenge of seasonal employment arose 18 times during the discussions. For this reason, “seasonality” is represented in a large font size within the word cloud. Seasonality was the most frequent topic of discussion, followed by “housing,” the importance of Buena Vista’s “Main Street” and strengths and opportunities revolving around “recreation,” “tourism,” and light “manufacturing.”

Frequency of Topics

A total of 133 topics were identified throughout these interviews with local stakeholders. Multiple topics are closely related such as sports, recreation, tourism, and ATVs/OHVs. All of the identified topics are represented in the word cloud displayed on page 56. Some topics arose more frequently than others. The top 10 topics, based on their frequency, are displayed in Table 6.

RATING	TOPICS	FREQUENCY
1	Seasonality	18
2	Housing	17
3	Main Street	16
4	Recreation	15
4	Tourism	15
4	Manufacturing	15
5	Vision	12
5	Growth	12
6	Change	11
7	Airport	10
7	Marketing	10
7	ebusiness	10
7	Workforce	10
7	Demographics	10
7	Affordable Housing	10
8	Funding	9
8	Local Businesses	9
9	Community	8
9	TopoGEN	8
9	Broadband	8
9	Families	8
9	Business Incubator	8
10	Schools	7
10	New Development	7
10	Education	7
10	Transportation	7

Table 6: Stakeholder Interviews Topics of Discussion - Frequency Table

Additional Survey Questions

In addition to the five community characteristics that the stakeholders were asked to rate, six additional survey questions were posed to each interviewee. These questions included:

1. *What do you like most about your community?*
2. *What is the biggest challenge the community faces?*
3. *What about the community's future are you most excited about?*
4. *What is one thing would you like to change about the community (magic wand)?*
5. *What is the community's biggest strength as a place to do business?*
6. *What can the community do to better support business?*

All 27 interviewees responded to these seven questions and their answers are displayed in the following word clouds:

1. *What do you like most about your community?*



Figure 48: Survey Question 1 Word Cloud

As can be seen in the Table 7, the most common response from these stakeholders in regards to what they like most about the Town is its “Small Town feel” and “People”. Taken together, the responses that center around the people and the culture of the Town represent 73 percent of the responses. It is clear that Buena Vista’s people and its unique small-town sense of community is among its best attributes.

TOPIC	FREQUENCY
SmallTownFeel	12
People	7
OutdoorRecreation	4
Proximity	1
BusinessUnity	1
SmallBusinesses	1

Table 7: Survey Question 1 Topics Frequency

2. What is the biggest challenge the community faces?



Figure 49: Survey Question 3 Word Cloud

Affordable housing was the most commonly cited challenge. Other major topics included the community’s willingness to change, maintaining its identity while still growing and expanding, being unified in its goals, and improving communication. Many respondents mentioned that they don’t want the Town to become a major ski town like Vail or Aspen. They want to maintain the small town feel while simultaneously improving the economy and creating job opportunities for their

children. Those whose responses were associated with “Unity,” also expressed the need to unify the various parts of Town.

TOPIC	FREQUENCY
Affordable Housing	8
Fear of Change	5
Identity	4
Lack of Communication	2
Lack of Unity	2
Limited Tax Base	1
Direction	1
Dependency On People	1
Retail Leakage	1
Jobs	1
Medical Services	1
Marketing	1
Foot Traffic	1
Smart Growth	1
Seasonality	1
Water Rights	1
School Plan	1

Table 8: Survey Question 2 Topics Frequency

3. What about the community's future are you most excited about?



Figure 50: Survey Question 4 Word Cloud

Interviewees are most excited about new residents who are coming into the community and the increased economic activity. There is also excitement about improvements in the quality of life—from trails and walkability to the prospects of a new grocery store. The community wants a stable economy that builds on its existing culture and identity. Most of the interviewees are excited about change and future growth because they understand that this mindset is necessary to create a vibrant and stable economy that can withstand the changes in demographics, market trends, and seasonal recreational opportunities. New and affordable housing is also something that stakeholders are excited about. The idea of

smart growth arose multiple times throughout these interviews. Specifically, stakeholders want to see responsible growth that compliments the existing atmosphere and identity of the Town.

TOPIC	FREQUENCY
Growth	8
New Residents	7
Affordable Housing	2
Identity	2
South Main	2
Trails	2
Quality of Life	2
Outdoor Recreation	1
Walkability	1
Entrepreneurs	1
Grocery Store	1
Medical Services	1

Table 9: Survey Question 4 Topics Frequency

4. What one thing would you like to change about the community (magic wand)?



Figure 51: Survey Question 5 Word Cloud

While there is broad agreement about what is great about the community, the ideas about what to improve are much more diverse. The need for unity among the different business districts and residents regardless of tenure was a common theme among many interviewees. There is a sense among many that, while there is a strong sense of community among town residents, there are growing geographical fissures in the business community along the lines of South Main, Main Street, Highway 24, Antero Circle, etc.

Another common topic was a desire to see further enhancements, including better coordination with the Chamber of Commerce and connectivity with South Main.

The absence of consensus areas for improvement would indicate that there aren't prominent issues that are driving widespread discontent or concern. Not having strong drivers of dissatisfaction is a net positive but will also make it more of a challenge to coalesce support around initiatives.

TOPIC	FREQUENCY
Unity	4
MainStreets	3
HelpTheYouth	2
Housing	2
HelpBusinesses	2
SmartGrowth	2
UnifiedGoals	1
PublicSupport	1
PublicTransit	1
Marketing	1
Change	1
NewJobs	1
PublicArt	1
RecCenter	1
SchoolGrowth	1
Events	1

Table 10: Survey Question 5 Topics Frequency

5. What is the community's biggest strength as a place to do business?



Figure 52: Survey Question 6 Word Cloud

When asked what the community's biggest strengths as a place to do business are, five of the interviewees responded that the community has a strong "shop local" mentality. The community makes intentionally buy from each other to keep retail dollars in the Town a priority. They like the fact that there are no major commercial big-box stores in Town. Main street is unique, with local ownership associated to individual shops and stores. Tourism dollars and the sense of business unity were also identified as the strengths.

The Town's natural environment is another strength. Specifically, interviewees feel that the Town sells itself due to its natural environment, which includes peaks, rivers, trails, and associated recreational opportunities. The Town's "open for business" attitude was also seen as a strength. While some

interviewees expressed that the local government could work on making it easier for businesses, stakeholders expressed that the Town has an "open for business" attitude.

TOPIC	FREQUENCY
Shop Local	5
Business Unity	5
Tourism	4
Open for Business	3
Environment	4
Proximity	1
Potential	1
Quality of Life	1

Table 11: Survey Question 6 Topics Frequency

6. What can the community do to better support business?



Figure 53: Survey Question 7 Word Cloud

While the determination to shop local is considered a community strength, it was also identified by many stakeholders as an area to improve upon. This is easy to understand. Local businesses and residents rely on each other and seasonal tourism to maintain profitability. Marketing was also identified as an area where there could be improvement. Specifically, stakeholders expressed that the community should “talk up the Town” or do more to actively promote the Town and its businesses. Also, stakeholders feel that the Chamber of Commerce could engage in more marketing initiatives to increase awareness of the Town, its businesses, and recreational opportunities.

Government processes, including business permitting, were identified as an opportunity as well.

TOPIC	FREQUENCY
Shop Local	7
Marketing	5
Government	4
Unity	4
Support for HWY 24	1
Wayfinding	1

Figure 54: Survey Question 7 Topics Frequency