



City of Central

INTERIM

Community Economic Development Strategic Plan

Approved & Adopted by the City of Central

March 3, 2015

Resolution No. 15-06

INTRODUCTION

The City of Central (“City”) is working toward a current update to the Comprehensive Development Plan (“Plan”), which was last updated in 2003. In any event, previous updates to the Plan have addressed the impact of limited stakes gaming, which has for all intents and purposes, irreversibly altered Central City. The current Plan makes reference to the economy, including goals and policies relating to a more diversified and sustainable local economy. Moreover, specific attention is made to the fact that several commercial buildings in the commercial core are vacant and in need of continuing stabilization and rehabilitation. Unfortunately, the current Plan does not sufficiently guide the City in the direction of community development and/or economic development activities as it relates to “business retention, expansion, and development.” Thus, the current efforts to update the Plan will certainly include a specific element dedicated to this area.

This interim plan is intended to bridge from March 2015 through December 2016 to allow the City to participate in immediate community economic development opportunities, and to allow the City, together with the community, the adequate time needed to develop the full element as well as the rest of the updated Plan. Although this interim plan does not concentrate on gaming-related development, since it addresses other aspects of the local economy, it is nevertheless important to note that gaming is indeed an important economic driver in Central City. As such, the City should continue to make efforts to support the related areas of that industry within the community.

It should also be noted that this plan element, both in its interim and final versions, is not intended to limit how the community might approach community economic development but is instead meant to focus the community on work in a key area that is likely to have the greatest and most immediate yield. New and previously unrecognized opportunities may arise and the community should remain flexible and avail itself to those new opportunities but not at the sacrifice of projects already underway. In other words, broadening the focus for community economic development may be appropriate and necessary, but refocusing and losing sight of progress, projects already underway, or successful areas of development that promise more future benefits is not advisable.

Basis of Approach

It is important to note that the City has chosen to pursue its development from the perspective of *Community Economic Development* (CED) rather than pursuing *community development* and *economic development* as separate disciplines. In large metropolitan areas, the two are often separated due to overwhelming workload and to manage resources. However, community economic development professionals argue that the two have never been completely separate disciplines and that they are inseparable. Community economic development views these two disciplines as heavily intertwined economic forces; the results of community development, which most specifically addresses quality of life issues and non-basic economic activities, affects the results of economic development which focuses on basic economic activities. Therefore, no community can afford to focus solely on one or the other. Recognizing this interconnectedness is especially important in small communities where non-basic and basic economic interaction is more highly pronounced and visible in the local economy.

Non-Basic Economic Activities or Community Development

Non-basic economic activity includes both public and private goods and services that are consumed entirely or almost entirely by the local economy and support the basic economic activities. The community economic development approach assumes that the community must have an essential foundation from which it can grow; housing must be available and affordable; goods and services such as groceries or a fuel station must be available within a reasonable distance; quality education must be available and accessible to the average citizen; health care needs must be met; streets must be maintained; public safety must be adequate; and other essential services must be in place before a community can grow its economic base. These essential services are major components of the quality of life in a community and make up the non-basic portion of the economy. Central City enjoys a fairly robust quality of life for a community that is somewhat isolated and has a small population. Because of previous levels of visitation and the influx of gaming revenues from the casinos, Central City has been able to provide and/or sustain certain amenities, but with the continued decline in the industry and local economy, the City's ability to maintain or expand upon these amenities has been brought into question as tax revenues drop alongside business revenues. The City Council desires to maintain this level of quality of life and continues to look at efficiencies and new revenue sources so that other quality of life initiatives can be pursued.

Basic Economic Activities or Economic Development

Basic economic activities are those activities that add to the economic base of the community, or in other words are those public and private goods and services that are produced, and the majority of which are not consumed by the local community. Therefore, those goods and services become a net importer of new revenue to the community. Growth of the basic economic sector creates new jobs in both sectors. Each new basic economic job creates a new source of demand for goods and services from the non-basic sector and in-turn, with sufficient demand and new revenues, the community can provide a quality of life that is equal to or better than the quality of life prior to the creation of that job. Because the basic economic sector can drive the demand in the non-basic economic sector, many communities have pursued development of the basic sector without focusing on the non-basic foundation of their economy, assuming that the public and private non-basic sector will simply meet the demands of the new basic employment. This assumption is blind to the need for a significant foundation that must be present in the non-basic sector if development of the basic sector is to succeed. CED practitioners and those communities that adopt the more holistic CED approach, focus equal attention on the development of the non-basic foundational sector and the growth and stability of the basic sector.

ORGANIZATION OF THIS INTERIM PLAN

This CED Plan uses the terms “non-basic” and “community development”; “basic” and “economic development” interchangeably. While some of the goals of the community could arguably impact both the non-basic and basic sectors, they are organized by their major contribution to the community, be it non-basic or basic, but both their non-basic and basic impact, if it is a permanent and continuous impact, will be noted. Both non-basic and basic actions and projects are also split into their regional and local implications. For the purposes of this plan, local is considered any economic activity occurring within three (3) miles of the municipal boundary. Regional is, at a minimum, the nearby “Peak to Peak corridor” and nearby

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“Interstate 70 corridor”, and at its maximum includes Gilpin County, Clear Creek County, Jefferson County, and Boulder County. Due to the interim nature of this plan, the primary focus is on those actions the City of Central can undertake immediately and that generally affect the local economy and quality of life. The full plan will then include more medium and long-term projects and goals and include more regional projects and goals.

Although this plan will be a living document that will continue to be built upon, in the interim, it will provide statements of general focus for the non-basic and basic goals and general methods used to develop the economy; followed by a preliminary strategic analysis; a listing of various focus areas; CED guidelines; financing options; state incentives; and local incentives.

Community Development

Non-basic or community development goals include, but are not limited to: housing, education, parks, recreation, public transit, public parking, traffic management, energy independence, food security, medical services, spiritual/religious institutions, natural resource conservation, open space, art and cultural facilities, historic and cultural preservation. Some of these community development activities will directly affect economic development activities, but the root impetus for pursuing these projects is to improve the quality of life in the community. For example, tourism can be directly affected by the community’s historic and cultural preservation activities, but these activities are deeply rooted in a preservation of the unique identity of the community. Another example is the construction of a recreation venue that fulfills not only a community need but, if done correctly, exceeds the local need and can be leveraged to broaden the attractiveness of the community to outside users of the recreation facility. The most important or highest priority actions that will further community development are included in this interim plan.

Economic Development

Basic or economic development activities include business attraction, business retention and expansion, and business incubation. Central City has a number of existing and/or potential basic economic drivers including, but not limited to: gaming, mining, alternative forms of medicine and/or recreation, art and craft production, food and beverage production, music and other performing arts, publishing/editing, software development and services, heritage and recreation tourism, events, and festivals.

Business Attraction: Given Central City’s geographic location, irrespective of improved access to I-70 via the Central City Parkway, standard methods of business attraction are not as productive. Business attraction for Central City instead should focus on the marketing of its quality of life, the non-basic economic environment that it seeks to build, to attract new or relocating businesses and entrepreneurs. Central City may be well served to concentrate on community economic development where the emphasis is placed on creating a community that has such a high quality of life that it will attract small entrepreneurial businesses that are most likely “location neutral”, meaning that the type of business that they are involved in can be done in a location of their choosing. These businesses are typically small, as small as a sole proprietor to typically no more than thirty (30) employees.

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Central City's approach for business attraction is to create an environment that is supportive of the creative economy and entrepreneurial development. Once the essential support structures are in place and the creative and entrepreneurial business environment is stabilized, the community will need to market its advantages to key demographic groups. Location neutral entrepreneurs typically come out of three (3) age cohorts that are experiencing a life changing event:

- Age 20 to 25 young adult typically graduating from college or graduate school with a degree in a specialized area such as engineering, computer science, art studio, or film or other technical skill and are looking to start their own business or work for a small firm with the intention of eventually becoming partner or branching out to eventually start their own business;
- Age 35 to 40 adult with substantial experience who is starting a family and desires a less formal working arrangement or wants to start their own business continuing to work in their field;
- Age 55 to 60 senior adult with significant experience and industry contacts, has become an "empty nester", is able to typically go into semi-retirement and work for themselves or start a small firm providing services to the industry that they exit from.

The common personality trait for entrepreneurs from each of these age cohorts is a high tolerance for change. Unlike most people, major life changing events that occur outside of the entrepreneur's control is embraced as an opportunity for additional change and makes them less resistant to other changes. It is also common for entrepreneurs to be less risk adverse.

Business Retention and Expansion: Retaining and expanding businesses tends to get less attention and emphasis than it deserves. Winning the relocation or attraction of a large location dependent new business tends to get more press and political fanfare. However, retaining and assisting with the expansion of local businesses tends to have a greater return on investment for a community. Relocating and attracting location dependent businesses is often a very expensive undertaking and often requires incentives and concessions by the local community that will take years if not decades for the community to recoup. Community economic development emphasizes the growth and retention of local businesses over attracting location dependent businesses and generally accomplishes its retention and expansion goals by addressing the improvement of the business climate and quality of life of the local population. Business attraction becomes a byproduct of those initiatives.

Central City has intrinsic geographic, artistic, historic, and cultural advantages and for many years (even before gaming) relied on tourism as an economic engine with little planning or organization. Those same advantages that worked in Central City's favor prior to, as well as after the introduction of gaming, also created a unique quality of life that has attracted and retained generations of creative individuals. Due to a number of factors, including the City's moratorium that followed a surge of development interest after gaming was approved by the State and City, Central City lost considerable market share within the local gaming industry, and has dealt with similar decline within that economic sector over time despite the construction of the Central City Parkway. With the decline in revenues and visitation, many businesses have closed or soon could close, and thus, the community must seriously consider what it can do to prevent further business closures.

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The City of Central has begun to actively pursue a business retention and expansion program, first proposed and referred to as the *Central City Pilot Property Lease Program*, but through this interim plan will be renamed *Maintain Central*. Although businesses can be sorted between non-basic and basic industries, regardless of the business classification as non-basic or basic, the retention, stabilization and hopefully expansion of any business in the area is very important. The primary purpose of the program is to allow for the development of interventions that will retain or assist in the expansion of local businesses.

Business Incubation: Today there is no formal business incubation in the Central City area and starting a business incubator from scratch is likely cost prohibitive in the current economic climate. However, the community (whether public or private entities) owns under-utilized facilities and properties that could be leveraged to incubate new businesses.

STRATEGIC ANALYSIS

A standard and useful tool in strategic planning is to perform a SWOT analysis, or *Strengths, Weaknesses, Opportunities, and Threats* analysis that succinctly provides a snapshot of the likely environment for any undertaking. The following is a preliminary SWOT analysis that should be revisited during the effective period of this interim plan to arrive at a more complete and/or community verified SWOT analysis.

Preliminary SWOT Analysis	
Strengths	Weaknesses
Natural Beauty	Roadways (condition / traffic patterns)
Natural Resources	Narrow or No Sidewalks
History	Parking
Culture	High Property Prices
Architectural Integrity and Character	Declining Assessed Values
Visual Arts (Art Galleries, etc.)	High Commercial Taxes (BID Taxes)
Performing Arts (Central City Opera)	Public and Private Maintenance
Casinos	Dominant Gaming Based Economy
Arapahoe National Forest	Incomplete / Inadequate Way Finding
Chase Gulch Reservoir	Main St. Economic Mix
William C. Russell, Jr. Park and reservoir	Broadband and/or Cellular Infrastructure
Museum Properties	Private Investment
Summer Events/Festivals	Business Improvement
Art/Craft Events	Lack of Housing
National Historic Landmark Designation	BID Activity
Public Transportation (shuttle system)	Physical Nature of Mining Properties
Pride of Community	Seasonal Residents
Alternative Medicine / Alternative Retail	Regional Collaboration
	Lack of Inventory in Hospitality
	Medical Facilities

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Opportunities	Threats
Creative District	Vacant Buildings
Main Street District	Absentee Landlords
Entertainment District	Competing Communities
Central City Opera and Teller House	Changes in Spending Patterns
CC Opera residential properties	Demographic Changes
Urban Renewal Authority	High Rents (High Taxes)
Tax Increment Financing	High Property Prices
Outdoor Recreation (camping, fishing, ATVs)	Cost of CCP (operation & maintenance)
Vacant Buildings (Belvidere, Scarlett's, etc.)	Declining BID Tax Receipts
Food & Beverage	Competition for Natural Resources
Micro Brews / Spirits Industry	Declining State and Federal Resources
Washington Hall	Demolition by Neglect
Visitor's Center	Changes in Travel Choice
Historic Preservation	Transportation Infrastructure (mass transit)
Land / Property Availability	Declining Population
Regional Collaboration	Tolerance for Change

The purpose of the SWOT is not to limit the development of the community and is not an exhaustive list, but is meant to provide focus and clarity to a particular undertaking and to ensure that the community will have a full understanding of the range of influences that can affect the undertaking. It can also provide a focus for community economic development and assist with the prioritization of actions.

FOCUS AREAS

Focus areas can be determined by examining the SWOT analysis, identifying the perception of relative success, and the logical order of implementation. The focus areas are broken into various parts and/or projects: community development, hybrid, local economic development, and regional economic development.

Community Development Focus Areas / Projects

This section identifies a listing of the most immediate areas of the non-basic sector that the community should focus on. This is not an exhaustive list, but is meant to be those areas that can realistically be improved or are in such a critical condition that action must be taken immediately to stabilize that aspect of the community.

- Infrastructure
- Public Safety
- Housing
- Retail
- Cultural Facilities

Hybrid Focus Areas / Projects

This section focuses on areas that can be most immediately pursued and will affect the entire Central City economy and cannot be ascribed to just non-basic or basic sector impact. This list, unlike the other sections, is meant to be a bit more comprehensive as of the time of the writing of this interim plan. True hybrid or holistic activities are rare but very effective. If other true hybrid areas are discovered, they should be added only after careful consideration of their cost and likely return on investment. Most holistic projects can be very costly and realistic cost-benefit analysis should be undertaken before embarking on any costly projects.

- Central City Parkway Access
- Outdoor Recreation
- Creative District
- Main Street District
- Arts Education

Local Economic Development Focus Areas / Projects

This section identifies the areas of basic economic sector activities that hold the greatest potential for positive results. This is not an exhaustive list, just as the areas listed in the previous section regarding the non-basic economic sector are not exhaustive. However, these areas have the greatest promise for a significant return on investment for the community and are most likely to expand the basic economic sector of Central City.

NOTE: This particular focus area will identify the primary mechanism from which the *Maintain Central* program will derive its abilities and form its basis of operation. The guidelines for said program are outlined below in the section so entitled. Also, it is important to note that this interim plan, including this local economic development program, is fulfilling a recognized municipal purpose.

Location Neutral Business Attraction: Standard business attraction often involves a significant investment in staff, outreach and marketing, and eventually concessions and investment by the community in order to attract a business that is interested in relocating. It is not unusual for large location dependent companies that can provide significant jobs and/or contribution to the tax-base to receive millions in incentives and local concessions. In some cases, communities have invested so much into attracting a particular business to the community that they may not see a return on their investment for a decade or longer.

Standard business attraction also uses key elements to put a community on the “radar” for site location consultants. These key elements may include many things like easy interstate access, rail and air transportation, and reasonable land, utility and development costs. Standard business attraction is heavily supported by programs and partnerships involving the state or large metropolitan cities and/or counties, and generally is not as easily workable for a community like Central City. Instead the City may choose to pursue the attraction of “location neutral businesses” which are those businesses, be they composed of a single entrepreneur or a firm of thirty (30) that can, by the nature of their work, be located anywhere in the U.S. or even the world. These businesses often rely on broadband and technology for their work and/or,

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especially in the case of artistic and craft goods production, they rely on a network of support for the creative economy including a collegial atmosphere, affordable and quality housing choices, significant amenities, and natural beauty. Central City is well suited to meet most of the needs of these location neutral businesses and can take steps to improve in the areas that need improvement.

There is a sort of infrastructure, or in this case support structure, that is required for location neutral businesses (LNB). Perhaps the most important part of the support structure is an essential service provider (ESP) who provides support functions and services such as accounting or bookkeeping, legal advice, mailing, mail delivery, fax service, copying, conference space, a gathering spot such as a coffee shop or deli, video conferencing, and occasional “heads down” space when collaboration is needed, all in a single physical location. Unlike the typical business incubator that provides subsidized office space and comingled services in a public facility, the ESP is a private sector business that operates, ideally, a public-private partnership facility that makes services and spaces available on an *a’ la carte* basis after paying a basic membership fee. In addition to basic business services and facilities on an *on-demand* basis that allow for close control of overhead, the ESP is also needed to address another very real need for LNBs – human contact. The need for human contact comes from the relatively isolated nature of LNBs, where most of their work is done at their home. Studies have shown that most workers who base their business out of their home need to get out and socialize about every third day or their productivity will suffer.

Another common need of LNBs is reasonably affordable high quality homes with a layout conducive to or designed to accommodate the needs of those engaged in a live-work lifestyle. Some of Central City’s historic housing stock lends itself well to a live-work lifestyle if more modern amenities can be brought to those homes. Although ideal housing might be able to be provided to LNBs in sufficient quantities, the natural beauty and community amenities will need to continue to provide a high value to these businesses in order to overcome any other real or perceived obstacles.

Business Retention and Expansion Program: Central City has never undertaken a formal business retention and expansion (BRE) program. Businesses have generally been able to thrive or at least limp along sufficiently in the past with no formal support or intervention. Today a loose, disorganized, and reactionary approach to BRE is insufficient. Central City has certainly lost a number of casino operations over the years; however, it potentially may have lost some emerging companies to competing larger cities who have provided support to their growing business and in some cases provided incentives for them to grow their business in their new location.

BRE is not glamorous. BRE rarely grabs headlines or even appreciation beyond the business that is saved, retained, or expanded. But although it lacks the glitz and fanfare of business attraction, it is the most effective of all basic economic development actions.

Business Incubation: Business incubation is similar to but more resource intensive than business retention and expansion (BRE) efforts. It also generally has a high fail rate given that many startups cannot survive more than 24 to 36 months on average. But business incubation can yield huge results, creating growing businesses who are a part of and committed to the community that supported their start. What distinguishes BRE from incubation is the maturity of

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the business. Most businesses that are younger than five (5) years can benefit from an incubation approach, while those businesses older than five (5) years are most likely to benefit from a BRE approach. Businesses that can be incubated are generally split into two (2) maturity categories: startups and mid-development. Startups are usually at the very beginning of their development to around two (2) years of operation. This is the most unstable time for a business and where the most business failures occur, and where successful intervention are the most difficult to create. Mid-development businesses generally have at least two (2) years of operation history but less than five (5) years of operation. While the business can still be volatile, there is some track record of the business to evaluate, to determine what will be the best intervention for the business.

The Central City Business Improvement District (BID) could be an effective tool for incubating startup businesses. The state statutes have authorized the BID to have unique service powers, including activities in support of business recruitment, management, and development. The BID could provide or organize a collaborative network of professionals that meet on a monthly basis to provide support and networking opportunities to new business ventures. Members of this network of professionals could give up to an hour of assistance to a startup or mid-development business in the hopes that they will succeed and eventually become clients. The BID could provide a facilitator who would help connect businesses with the help they need to stabilize or grow their business or even help to gracefully shutdown a business that is failing. The City could partner with the BID and provide support to ensure that the program meets the needs of startups with little risk or exposure to public assets and funding.

Although the City of Central lacks a Chamber of Commerce, and the BID is not presently organized to assist with this function, there is another organization currently forming within the City that could serve as a similar resource – the *Central City Merchants Association* (MA). The organization could eventually assist in developing educational forums, workshops, and business and economic development services in addition to targeted advocacy and networking opportunities. It could very likely play a role in incubation, alongside the City and potentially the BID, as well as be a key partner in BRE efforts and possibly LNB attraction.

The biggest role that the public sector can play in business incubation, besides collaborating with the BID and MA, is to consider the adaptive reuse of underutilized public and/or private assets. Often the biggest impediment to a growing business is to stabilize its working capital needs and exponential growth. This is usually evident in mid-development businesses that need assistance with cost reduction in order for receivables to be converted into cash and meeting working capital demands. Stabilization can usually be achieved within five (5) to seven (7) years of business operation. One of the easiest ways for the public sector to assist these growing businesses is provide a facility for the business at an initially greatly reduced or abated monthly rental amount and slowly increase the rent over a five (5) year period. After the fourth or fifth year of assistance, the business needs to be charged a market rental rate and thereafter be charged a market rental rate plus a rapidly escalating premium to encourage the business to relocate to a private property. Incubation needs to be short term and needs to be firmly managed in order for businesses to become self-sufficient and for new growing businesses to have access to the same assistance. Just as any basic economic development action should demonstrate net public benefit through a realistic cost-benefit analysis, any abatement or subsidy of rent should be secured and show that the community will be able to recoup its investment within a reasonable time period either through additional tax base and/or employment.

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Tourism Diversification / Stabilization: Tourism (albeit heavily gaming-based at times) has been the mainstay of the basic economic sector of Central City. Visitors come to enjoy the stunning natural beauty, experience the authenticity of the historic community, and be inspired by and a part of the creative environment of Central City. The prior success of Central City has been organic and relatively unorganized, often fueled by word of mouth, history, and reputation. In the current travel climate, Central City cannot remain competitive for tourism dollars without organization and effort to make the visitor experience not only seamless and simple, but remarkable.

Tourism and its associated retailing and services are at its heart firmly rooted in the basic economic sector. Instead of exporting goods and services and importing revenues, the lodging industry, and associated tourism retailing and service industries import visitors who consume locally produced goods and services and leave their revenues behind in the community. Other communities have become well organized and make the visitor experience seamless and easy, making the current difficulty in visiting Central City less attractive and therefore less competitive.

The highest grossing and growing sectors of the travel industry revolve around four (4) key areas: heritage/cultural tourism; eco-tourism; adventure/experiential tourism; and sporting tourism. All of these tourism interest areas share in common some general demographic traits – these tourists are generally well educated, stay longer or make repeat visits, are willing to spend more for authenticity and unique experiences, and appreciate a strong environmental ethic. The heritage and cultural tourist generally wants to stay in an upscale historic hotel, eat at local restaurants offering traditional local cuisine, and tour and experience authentic historic sites and interpretation. The eco-tourist generally values the opportunity to stay in unusual accommodations that support sustainability and conservation, and to participate in activities that allow the tourist to interact with the natural environment in a memorable way and leave no trace of their visitation. The adventure or experiential tourist is less concerned with accommodations and is mostly concerned with having an experience that they can never have anywhere else and are able to take back the thrill, the knowledge, and the skills that they acquired from their visit. The sporting tourist is similar to the adventure or experiential tourist in their focus on the activity that they will be engaged in during their visit, be it a competition or event, or other similar activity.

The one attribute that all of these types of tourism exhibit is these tourists have a deep passion for the interest that motivates them to travel. When a person becomes passionate about an experience, they become what is known as “price insensitive”, which simply means that they will scrimp, save, and sacrifice in order to follow their passion and are willing to pay a premium for the highest quality, most authentic, and/or impactful trip.

The public sector’s role in this area is to facilitate organizing of the private sector tourism industries and forming partnerships among private, public and non-profit sectors that will support an overall effort to increase, diversify, and stabilize Central City’s tourism industry. A very key component of that support is the creation of a tourism portal website that will act as a trip planner for visitors that want to travel to Central City. In addition, the designation of the City as a Creative District can create a natural partnership between various state departments, the City of Central, and all segments of the creative economy that is heavily engaged in heritage or cultural tourism and adventure or experiential tourism. The City’s role can be to bring diverse

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resources together into one virtual location and make it easy for the traveler to not only visit, but to have an exceptional experience on their visit. The best way to do this is to build the capacity and then create and maintain a portal website that also provides a trip planner.

The need for providing an organized portal with a trip planning function is based on the fact that one of the largest growing segments in travel is family vacations. The tendency is for families to try to combine multiple interests into a single trip where everyone has an opportunity to participate in something meaningful for them. Modern family vacations often have multiple purposes and the wider the variety of offerings that can be conveyed, the more likely you are to get the tourist to not only come, but to stay longer and make repeat trips.

Art/Craft Production: The production of art and crafts, ranging from classical visual arts, to performance arts, to pottery and glass works, to jewelry making, to literary arts and all points between, has been a basic economic contributor for Central City for quite some time.

The interest in the arts within the community is continuing to increase, and members outside the City continually participate in local arts and crafts events. With the current and hopefully growing demand for the arts, it is likely that the need for increased inventory of studio space will soon surface. The City could give consideration to assisting with the development of additional affordable studio space to retain and attract artists to Central City. In addition to making it possible to retain and attract artists, a development of this type would also provide a natural gathering place for artists to socialize and collaborate and could lead to informally structured mentorships among experienced and inexperienced artists working in similar or the same medium.

The sale of art has changed in recent years. Galleries are no longer limited to their physical location. To be competitive, galleries are creating an internet presence, and may even participate in open-air fairs and events. This is particularly true of artist owned/operated galleries. Cultural markets and artist cooperative galleries are beginning to become more viable. With changes to the function and regulation of uses on Main Street as discussed within some circles of the community, which if implemented could add Main Street to the list of available venues for selling art and crafts produced in Gilpin County. Aside from affordable studio space, more accessible and reasonably priced venues for the sale of art and crafts is a need of the emerging artist.

Events and Festivals: Events and festivals can provide significant increases in visitation and can drive additional activity for the tourism industry and retailing. The most popular and apparently productive festivals and events have been:

- Shows and events at the Central City Opera House and the Teller House
- Central City Wild Bunch on Main Street
- Madam Lou Bunch Day
- Stills in the Hills
- Central City Days
- Pit Rally on the Central City Parkway
- Central City Bacon Tour

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- Great Central City Beer Fest
- Creepy Crawls
- Tommyknocker Craft Fair
- Gilpin County Arts Exhibits/Shows

These events, festivals, tours, and fairs, despite the controversy over holding some events on Main Street or Eureka, or closing the Central City Parkway, generate foot traffic which usually involves lodging, restaurant, gaming, and other sales in the community in addition to the sales at the event. The number of events does not appear to be an issue. Instead, timing and coordination of these events is needed, including possible joint advertising of the events to increase market penetration.

The City's role in this should be to facilitate organization among event, festival, and fair hosting organizations to ensure that there is coordination and mutual support among these organizations. It may also be appropriate for the City to consider entering into project participation agreements with event promoters to waive use and rental fees provided when an event or events can show direct economic benefit to the community that exceeds the value of the public support and participation that is provided.

Regional Economic Development Focus Area / Projects

This section will be more appropriately addressed in the full plan/element that ultimately will be incorporated into or connected with the Central City Comprehensive Development Plan.

- Media Production
- Alternative Energy
- Research and Development

COMMUNITY ECONOMIC DEVELOPMENT GUIDELINES

Non-basic Economic Sector (Community Development)

- ❖ To be developed in the full plan.

Combined Non-basic and Basic Economic Sector (Hybrid)

- ❖ To be developed in the full plan.

Local Basic Economic Sector (Economic Development) – *Maintain Central*

The primary purpose of the *Maintain Central* program is to provide public support for economic development projects in Central City that foster, promote, and enhance local economic development efforts. And generally, the interim plan, as well as this specific program, fulfills an authorized governmental and/or proprietary function for the City of Central.

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- A. The governing body may assist economic development projects in any legally permissible manner including, but not limited to, provision of land, buildings and infrastructure. The City may provide land, buildings, or infrastructure it already owns, or it may build, purchase or lease the facilities needed for an economic development project. The City, at its sole discretion, may bear the full cost or contribute a portion of the costs including the waiver of applicable fees. The City, at its sole discretion, may also contribute to the payment of costs for professional service contracts such as feasibility studies and planning and design services needed to implement a project.
- B. The governing body may consider offering all forms of assistance allowed under this plan and any other legally permissible forms of assistance; however, this does not establish any obligation on the City's part to offer any specific type or level of assistance.
- C. The City may create and maintain an Economic Development Fund into which it may deposit the revenue derived from its related operations and/or programs.
- D. The City may engage in economic development projects involving one or more other governmental or quasi-governmental entities for projects, which encompass more than one municipality, county, or political subdivision (i.e. Business Improvement District). In such instances, the relevant governing bodies should adopt an intergovernmental agreement.

To the extent that any economic development activity by the City includes long-term rental and/or leasehold agreements, it is important to note that local and state laws authorize this ability, including but not limited to the following provisions:

- Section 11.7 of the Home Rule Charter for the City of Central (*Long-Term Rentals and Leaseholds*):
 - The City Council may by ordinance, and without an election, enter into long-term rental or leasehold agreements for any municipal purpose. The agreements may include an option or options to purchase and acquire title to the property within a period not exceeding the useful life of the property. A long-term lease is a lease having a duration of more than one year.
- Title 31, Article 15, Part 8 of the Colorado Revised Statutes (*Long-Term Rentals and Leaseholds*):
 - **C.R.S. 31-15-801 (*Agreements – ordinance – financing*)**: In order to provide the necessary land, buildings, equipment, and other property for governmental or proprietary purposes, any municipality is authorized to enter into long-term rental or leasehold agreements, but in no event shall this be construed as authorizing the use by any municipality of leasehold agreements to finance residential housing. Such agreements may include an option to purchase and acquire title to such leased or rented property within a period not exceeding the useful like of such property and in no case exceeding thirty years. Each such agreement and the terms thereof shall be concluded by an ordinance duly enacted by the municipality. No such ordinance shall take effect before thirty days after its passage and publication. The governing body

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of any municipality is authorized to provide for the payment of said rentals from a general levy imposed upon both personal and real property included within the boundaries of the municipality; by imposing rates, tolls, and service charges for the use of such property or any part thereof by others; from any other available municipal income; or from any one or more of the said sources. The obligation to pay such rentals shall not constitute an indebtedness of said municipality within the meaning of the constitutional limitations on contracting of indebtedness by municipalities.

- **C.R.S. 31-15-802 (*Tax exemption*):** Property acquired or occupied pursuant to this part 8 shall be exempt from taxation so long as used for authorized governmental or proprietary functions of municipalities.
- **C.R.S. 31-15-803 (*Enforceability*):** Purchase or leasehold agreements entered into by any municipality pursuant to this part 8 shall be enforceable in any court of competent jurisdiction.

Regional Basic Economic Sector (Economic Development)

- ❖ To be developed in the full plan.

FINANCE

- ❖ To be developed in the full plan.

STATE INCENTIVES

- ❖ To be developed in the full plan.

LOCAL INCENTIVES

- ❖ To be developed in the full plan.