CHALLENGE STATEMENT //

Cañon City has relied heavily on tourism and outside dollars to fuel their local economy yet their Main Street has been suffering financially. City leadership believes their Main Street has great potential for success. Cañon City currently faces several challenges revolving around both Main Street and affordable housing. Their entrepreneurs and small business owners struggle with marketing due to a lack of tools and resources. With the recent COVID-19 outbreak many Cañon City businesses have been reaching out to the City with requests for resources and marketing tools providing a great communication opportunity moving forward.

With the focus of trying to attract locals downtown, City leadership believes it will be important to engage their local community in order to reduce their reliance on tourism and increase Main Street revenue. There is a need to find the best outreach method to connect with locals and figure out what they feel is missing. Engaging the locals will not only help come up with solutions to the challenges Main Street is currently facing with the recent COVID-19 outbreak, but also create sustainable solutions to increase revenue and make Main Street feel like a hometown.

Amongst a struggling Main Street, Cañon City also faces a lack of affordable housing. The City has begun the initial phases of the formation of an Urban Renewal Authority (URA). The City can use Tax Increment Financing (TIF) from the formation of an Urban Renewal Area to the guide development of housing and open the door for connections between the URA and Main Street. These are all complex challenges that will require a stakeholder analysis, community outreach and City planning to come up with a sustainable and successful outcome in order to create a long-lasting impact for Cañon City.

EXECUTIVE SUMMARY OF STUDIO WORKSHOP //

Due to the outbreak of the Novel Coronavirus this challenge studio took place virtually. The focus of the workshop was to identify Cañon City’s unique assets and what the community feels is missing along Main Street. Initial discussions centered around identifying the primary audience when developing action items and the best ways to connect with and engage locals. The Main Street challenge was analyzed and questions were formed around what Main Street currently has to offer, what it is missing and how it is all tracked. Property ownership along Main Street was also discussed.
as well as the challenge of connecting to current property owners and managers. Along with that, there is also a need to showcase consumer potential of vacancies to future buyers, local investors or even the local market. Housing was touched on briefly surrounding the initial stages of the formation of the Urban Renewal Authority and potential connections for future mixed-use buildings along Main Street.

It was beneficial having City leadership, resource experts and DCI collaborate throughout the virtual workshop. Several questions were answered and both long term and short-term action items were developed. Locals were identified as the primary audience while developing action items to face these City challenges. The feedback from locals that City Leadership has been receiving is the lack of gathering space or events for families along Main Street. The City has also had difficulty connecting with subpopulations and needs to develop better outreach methods moving forward to reach all stakeholders and locals. Several of the experts brought up the idea of creating a gap analysis to determine what services are currently being offered downtown and what services are missing. A positive outcome to COVID-19 has been establishing communications between City Leadership and business owners while providing COVID resources. The City will now be able to use those connections and contact information moving forward.

City leadership also provided feedback on the difficulty of communicating with current property owners due property management gatekeepers and the majority of owners living outside of Cañon City. Experts brought an outside perspective of the City’s need to connect with interested buyers and provide them with the benefits and historical information on the available properties along Main Street. City leadership was also discussing the Urban Renewal Authority that is currently in the planning phase and DCI discussed the potential of the City purchasing vacant property for a short period of time to begin to revitalize those buildings and show activity in the downtown. There were thoughts of having units available on the second story of many Main Street businesses which could help with both the housing and Main Street challenge. Several short term and long-term action items were developed as a result of this Studio and are listed later in this report. An action item matrix is also located in the appendix.

**Poll Questions**
Poll questions were asked throughout the virtual studio workshop to gather participants input. Here are the top answers from participants.
TEAM MEMBERS* //
CU School of Public Affairs Coordinator
Devin Clark

DCI Staff
Kylie Brown, Challenge Program Coordinator/Rural Outreach Coordinator
Katherine Correll, Executive Director

Cañon City City Staff
Rick Harrmann, Economic Development Manager
Ashley Smith, Mayor
Ryan Stevens, City Administrator

Public Sector Partners
Traci Stoffel, Main Street Specialist, Department of Local Affairs

Specialists/Consultants
Ben Levenger, DT Redevelopment
Caroline Trani, Colorado Housing and Financing Authority

BACKGROUND INFORMATION //
Cañon City is a small Colorado tourist town located off Highway 50. The city offers several large tourist attractions including the Royal Gorge Bridge and the Royal Gorge Train that travels underneath the large suspension bridge. It is located in the banana belt, meaning the climate is warmer year-round in comparison to the rest of the region, making outdoor activities fun for a majority of the year. Some outdoor recreation activities include mountain biking, white water rafting, rock climbing and fishing. The recreation opportunities makes Cañon City's main industry tourism. The major employers include health care and government correctional facilities.

Recreation attracts a lot of tourists to Canon City, but Main Street businesses struggle to attract them - and residents - to downtown. All of their main street business combined make up less than 2% of all tax revenue collected. In a National Citizen Survey conducted in 2018 only 22% of residents believed Cañon City had a vibrant downtown. The City has already previously invested in the streetscape of the Main Street but City Leadership believes it's time for businesses to be able to market themselves and gain the available tools and resources to do so. The first challenge will be
focusing on the need for local buy-in. A majority of the businesses are only open during the week between the hours of 10 AM to 5 PM with only a fraction of them being restaurants or retail. There are a lot of vacancies that could provide an opportunity for new business and local investment along Main Street.

Outside of a struggling Main Street there is also a lack of housing which is what so many other Colorado cities face. There has been an increase in renters and decrease in homeowners due to numerous factors including commuters and an aging population. Cañon City now has a higher housing market than neighboring Pueblo, making it difficult to attract new residents. Revitalizing Main Street can provide an opportunity for an increase in available housing by creating mix-used buildings. Cañon City is also in the beginning stages of creating an Urban Renewal Authority which will contribute to their long-term goal of creating affordable housing.

All these challenges that Cañon City faces have long term goals that now have an even longer timeline. With the recent outbreak of the Novel Coronavirus, local economies, especially small businesses, have been hit hard and will be struggling for the foreseeable future. Cañon City has already started creating short term goals to get local businesses back on track and hopefully even more sustainable and resilient in the future. The revitalization of Main Street provides a perfect tool to bring businesses back after the Governor’s ‘Stay Home Orders’ have been lifted and using that momentum to gain local input and attract new businesses. Many local businesses have been participating in recent City calls and meetings in response to COVID-19. Those connections can be used moving forward as Cañon City overcomes many obstacles in order to achieve both short and long term goals of creating a more sustainable and thriving city.

Demographics
- Population: **16,690** *including inmates*
  - **Majority** of population contributing to economy is between the age of **50 to 59**
- Median Household Income: **$41,892**
- Percentage of Population with Incomes Lower than Poverty Line: **52.6 %**
- Percentage of Fremont Residents that work outside of the county: **57%**

What’s missing
What sectors and people could be more engaged to build a booming Main Street?
- Community partners
- Cultural assets (ex. museums, galleries, nonprofit organizations)
- Developers
- Educational institutions
- Mission-aligned charitable foundations
- Private companies interested in community investment
- Interest in Creative Arts District

Assets
- Banana Belt
- Major Tourism
  - Royal Gorge Bridge
- Royal Gorge Museum and History Center
- Outdoor activities
- Federal Employment
- Historic buildings on Main Street and throughout the City
- Signature events including Blossom festival, Royal Gorge Whitewater Festival, Battle of the Big Horn, the Balloon Classic, the Harvest Festival and more.
- Habitat for Humanity
- Highway 50

**Obstacles**
- Struggling business on Main Street
  - Peak during summer months
  - Hours of operation are from 10 AM to 5 PM
  - Disconnect between local community and downtown businesses
  - Business are not marketers
  - Need for more restaurants and retail
  - COVID-19 outbreak
- Limited housing
  - more expensive than neighboring Pueblo

**FINDINGS AND IDEAS //**
- Review stakeholder analysis and determine who is engaged and who is missing
- Identify what locals and stakeholders want to see downtown through a visioning survey
  - What's missing?
    - gathering or event space
    - identify areas that have potential for art installations
- Collect information on current assets along Main Street
  - Gap analysis
- Use DCI template to identify vacant buildings downtown and the owners and identify potential uses and incentives to communicate with owners/buyers.
- Connect with Urban Renewal Authority and Colorado Housing and Finance Authority to discuss potential of mixed use buildings along Main Street
NEXT STEPS AND DESIRED OUTCOMES

Main Street Transformation Strategies

1. Increase the Occupancy of Businesses to Create a Balanced & Vibrant Commercial District
2. Increase Event Awareness and Identify New Events to Attract People to Downtown on a Year-Round Basis
3. Coordinate Goals of Multiple Entities (Businesses, Event Boards, Chamber, Etc.) to Create Alignment, Cohesion & Maximize Impact
4. Market & Promote Downtown to Residents, Visitors and Region

Increase Occupancy of Businesses

- Develop tools & incentives to attract businesses (Economic & Urban Renewal)
- Develop case studies to showcase and market opportunities along Main Street
- Make it easier to open a business on Main Street (update codes and regulations)
- Identify catalytic projects to attract/recruit investment to downtown. Develop outreach methods to better connect with current property owners and property managers. Connect potential buyers with commercial potential.
- Update Zoning and building codes to provide flexibility for reinvestment in existing buildings
- Attract locals downtown and engage local artists to incorporate more art downtown

Increase Event Awareness

- Create a community event to share the initial results from the survey, share the pitch, and invite participation.
- Enhance outreach and communication. Develop methods of outreach to connect with subpopulations of Canon City and bring locals downtown
- Create and publish a consolidated event calendar for the community/region

Coordinate Goals of Multiple Entities

- Develop a community visioning survey that considers what the stakeholders and locals would like to see, do, and create in the downtown.
- Establish clear roles and strategic alignment of organizations working to strengthen Downtown Canon City. Create an inclusive process with transparency.
- Foster & Cultivate Business Relationships to promote the community as a whole
- Create a Quarterly Meeting to synchronize events and coordinate Planning and report on progress.
- Create a coordination/planning checklist

Market and Promote Downtown
• Enhance marketing coordination for national, state, regional and local levels
• Engage downtown businesses
• Launch familiarization tours/trips to attract regional buyers
• Industry focused marketing strategy
• Market Assessment to identify market types, demand, saturation